

## THE MEDIATING INFLUENCE OF PASSENGER SATISFACTION ON THE RELATIONSHIP BETWEEN PASSENGER LOYALTY PROGRAMMES AND PASSENGER LOYALTY

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**Abstract.** The dynamic nature and the intense competition in the airline industry result in a need to craft innovative mechanisms that enforce customer loyalty. The study focuses on the mediating effect of passenger satisfaction on the relationship between loyalty programmes and passenger loyalty in the airline industry. The study complements previous research by producing evidence on customer loyalty in the airline industry in a developing country context. The regression findings confirm the hypothetical prediction that customer satisfaction mediates the relationship between loyalty programmes and customer loyalty. The results reveal that customer satisfaction leads to customer loyalty and that loyalty programmes positively impact customer satisfaction. The findings have implications for managers of airlines flying routes in Southern Africa who are encouraged to invest in loyalty programmes in order to enforce passenger satisfaction and loyalty. Although previous research has examined customer loyalty and its antecedents, the mediating role played by customer satisfaction on the relationship between customer loyalty programmes and customer loyalty remains to be further investigated particularly in the context of the airline industry in Southern Africa.

**JEL Classification:** M10

**Key words:** airline, service quality, safety reputation, loyalty programmes, customer satisfaction

### 1. Introduction

There is now an agreed view among services marketing practitioners and scholars that customer loyalty is a critical competitive tool. Customer loyalty reduces marketing costs and ensures positive word of mouth. Loyal customers perceive low risks in trying new products/services and make useful suggestions to improve the service (Wallace, Giese & Johnson, 2004; Bushoff & Du Plessis, 2009). It is now imperative to enhance passenger loyalty because the airline industry is

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now very dynamic and competitive. Over the years, the airline industry has become so dynamic and hyper competitive that it is now imperative to enhance passenger loyalty. The airline management is investing in programmes that help in enhancing passenger loyalty. To the academics, it has also become crucial to conduct studies that would provide more insights about creating and sustaining customer loyalty (Han & Ryu, 2009). The literature has revealed that satisfied customers are likely to be loyal to the service provider (Lin & Wang, 2006) and that service quality leads to customer loyalty (Hamadi, 2010). According to Lee (2004), loyalty programmes are also crucial in enhancing customer loyalty. It is, therefore, the responsibility of airline managers to devise mechanisms that enforce and sustain passenger loyalty. This also calls for more research studies that need to inform airline management and practitioners in other industries how to effectively achieve and maintain customer loyalty.

Although previous research has examined customer loyalty and its antecedents, the mediating role played by customer satisfaction in the relationship between customer loyalty programmes and customer loyalty remains to be further investigated particularly in the context of the airline industry in Southern Africa. Evidently, a cross examination of the literature indicates that research on the mediating influence of customer satisfaction on the relationship between loyalty programmes and customer loyalty to airline operators is scarce in the African context. In addition, the majority of the studies examining the mediating role of customer satisfaction in these two variables have been carried out in American, European and Asian countries (Kaura, Prasad and Sharma, 2015; Vesel and Zabkar, 2009). Perhaps, it may not be informative to assume *a priori* that the results of similar studies conducted in these developed and emerging economies can apply to a developing country like Zimbabwe. The behaviours of consumers in Western and Asian countries may not predict the behaviour of consumers in developing countries. In the light of the identified research gap, this study aimed to close this gap by exploring the mediating influence of customer satisfaction on the relationship between customer loyalty programmes and customer loyalty to airline service providers in Southern Africa.

By exploring the mediating role of customer satisfaction in the relationship between loyalty programmes offered by airline providers and customer loyalty, the findings of this study have implications for managers of airlines flying routes in the Southern African region. Practical insights will be provided on how to provide loyalty programmes in order to gain customer satisfaction that will ultimately lead to customer loyalty. Such insights are important because they can enhance the competitiveness of airlines as the industry is now operating in a highly competitive market. The study's theoretical contribution entails the development of a conceptual framework showing the relationships between customer satisfaction, customer loyalty programmes and customer loyalty.

The paper proceeds as follows: Firstly, literature review, and the theoretical framework will be presented. Secondly, the methodology used to achieve the research objective will be provided. The methodology section will be followed by the presentation and analysis of the results. The paper will be concluded by the managerial implications, limitations and avenues for future research.

## 2. Theoretical background

### Customer loyalty programmes

A Customer loyalty programme can be defined as a well-coordinated and membership based marketing strategy, designed to provide incentives to customers in order to strengthen the continued marketing exchanges with the customers and get their allegiance (Gómez *et al.* 2006; Lacey and Sneath 2006). Firms in travel related industries such as airlines offer customer loyalty programmes (also referred to as Frequent Flyer programmes - FFPs) to encourage repeat purchasing thereby improving customer retention rates by offering incentives for customers to purchase more regularly and in larger volumes (Lewis 2004). The second aim of FFP is to create stronger bonds between the current customers and the brand so as to retain the customer base (Uncles, Dowling and Hammond (2003). FFP offer rewards in the form of class upgrades, free flights or other travel related services. Travellers need to accumulate a certain number of points to get the prescribed benefits that imply that once a customer starts accumulating points they are encouraged to continue flying with the same airline to maximize the benefits they receive from the loyalty programme and increase chances of reaching the thresholds (Lewis 2004). Signing up for a number of FFPs may result in many worthless air miles spread across a number of programmes because rewards in FFPs are based on cumulative miles covered with the sponsoring airline (Basso, Clement and Ross 2009).

While frequent flier programmes on most airlines reward frequent fliers with air miles, some airlines are loading additional benefits as a way of encouraging repeat purchases. For example, British Airways' Executive Club offers its members both air miles and extra points that go towards earning a Gold or Silver tier status (British Airways, 2015). Gold status entitles members to first class check-in facilities, priority reservations and priority boarding irrespective of the cabin they are booked to fly (British Airways 2015).

FFPs are increasingly popular with airlines as they are used to appeal to different passenger segments (Meyer-Waarden, 2013). Uncles *et al.* (2003) argue that one of the compelling reasons for the increase in the number of FFP is persuasive pressure generated by the alleged success of existing programmes and airline managers are reluctant to withdraw the programmes once they have been introduced even when the benefits they claimed have not been realised. The increasing importance of these programmes have generated a lot of interest from researchers but the lack of consensus on their impact on consumer behaviour makes FFPs a key variable for this study.

### Customer Satisfaction

According to Szczepańska and Gawron (2011) a customer's level of satisfaction with a product/service they have purchased is shaped by his/her subjective evaluation of the product/service, the value of the benefits they have received and the customer's overall interaction with the company. In the same vein, Giese and Cote (2000) argue that customer satisfaction is a response to specific purchase or consumption related event occurring at a particular time. Kotler and Keller (2012) highlight that satisfaction reflects an individual's judgement of a product's perceived performance compared to expectations. The customer is disappointed if performance

falls short of expectations, satisfied if expectations are matched and delighted if performance exceeds expectations (Kotler and Keller 2012). Dehghan and Shahin (2011) opine that where real alternatives exist, inability to satisfy customers is through two response mechanisms: exit and voice.

### **Customer Loyalty**

Customer loyalty is an important element of organisational success and profitability (Oliver 1997; Divett *et al.* 2003) because consumers that demonstrate the highest levels of loyalty towards a service are more inclined to repurchase the service more often and spend more (Dehghan and Shahin 2011). In the same vein, Kotler and Keller (2012) argue that when customers become loyal to a brand, demand becomes more predictable and secure for the firm consequently creating barriers to entry for other firms. Retaining profitable and frequent fliers is an attractive proposition for every airline because as cited by Kotler and Keller (2012) marketing experts Peppers & Rogers (2005) highlight that businesses succeed by getting, retaining, and growing customers. Dehghan and Shahin (2011) observe that some researchers use the word customer loyalty instead of brand loyalty to indicate that loyalty is a characteristic of people, as opposed to being something inherent in brands. By studying loyalty in the hotel sector Palmer, McMahon-Beattie and Beggs (2000) observe that true loyalty based on emotional bonds is difficult to copy, implying that it can be a source of competitive advantage. In the same vein, Schieffer (2005) is of the view that creating loyal customers is core to every business.

Oliver (1999, p.34) defines loyalty as “a deeply held commitment to rebuy or re-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 behaviour.” According to this definition, loyal customers are inclined to ignore any persuasive inducements in the form of messages and incentives from competitors. Dehghan and Shahin (2011) identified five dimensions of loyalty from services literature namely repeat purchase of a service, resistance to switching, provision of positive word-of-mouth, identifying with a service and preference for a particular service provider. This study uses the term customer loyalty as opposed to brand loyalty, so as to emphasise that loyalty is a characteristic of people as opposed to being something that is inherent in brands (Uncles, Dowling and Hammond 2003).

The literature identifies three dimensions of loyalty namely attitudinal, behavioural and composite loyalty that combines both attitudinal and behavioural loyalty. The behavioural dimension considers loyalty as a consistent and repetitive purchase behaviour while the attitudinal dimension is concerned with the customer's sense of allegiance and engagement (Bowen and Chen 2001). For research purposes, the composite measure is more appropriate as it captures both attitudinal and behavioural dimensions that are the major influences on consumer decision making (Mandhachitara and Poolthong 2011).

Other studies identified service quality as a key determinant of customer loyalty either directly or via mediating effects of other constructs such as satisfaction (Park, Robertson and Cheng-Lung 2005; Ostrowski *et al.* 1993). In the same vein, other researchers have shown that corporate image significantly and positively impacts customer loyalty (Kandampully and Hu 2007; Kandampully and Suhartanto 2000).

## **Customer satisfaction's influence on customer loyalty**

Angelova and Zekiri (2011) argue that satisfied customers are the foundation of successful businesses because it leads to repeat purchase, positive word of mouth and customer loyalty. Customer loyalty can be a result of high switching barriers or lack of close substitutes, while in some instances customers are persuaded to continue the relationship because they are satisfied with the product or service (Dehghan and Shahin 2011). In the airline industry where exit barriers are limited and alternatives exist, customer satisfaction is one of the key strategies that can be used to keep existing customers and as such any discussion on loyalty should include a comprehensive analysis of customer satisfaction (Szczepańska and Gawron 2011)

Satisfaction is regarded as a robust predictor for behavioural variables such as customer loyalty; rebuy intentions or recommendations through word-of-mouth (Eggert and Ulaga 2002). Martín-Consuegra, Molina and Esteban (2007) used satisfaction and loyalty as mediating variables in the relationship between price fairness and price acceptance and concluded that a positive relationship existed between satisfaction and loyalty. Other researchers (Bowen and Chen 2001; Tepeci 1999) however conclude that the relationship between customer satisfaction and customer loyalty is nonlinear and asymmetric, with loyalty increasing exponentially beyond a certain level of satisfaction and equally falling dramatically when satisfaction declined beyond a certain point. These findings implied that for high levels of loyalty to be assured, customers must be extremely satisfied. Other studies also noted that customers may still defect even after indicating that they are satisfied with a service provider. For example, Chandrashekar, Rotte, Tax and Grewal (2007) concluded that satisfaction strength is a key driver in translating satisfaction into loyalty and argued that satisfaction translated into loyalty when it is strongly held while weakly held satisfaction makes customers vulnerable to defection. In the same vein, Mittal and Lassar (1998) also concluded that just having satisfied customers is not good enough and suggested that a certain minimum level of satisfaction is necessary to achieve loyalty.

Services literature considers customer satisfaction to be one of the most significant outcomes of all marketing activities in any company that is market-oriented (Kandampully and Suhartanto 2000). Satisfaction is an essential ingredient for the development of loyalty and it is difficult to conceive loyalty development without satisfying customers (Oliver 1999). Based on these arguments it is reasonable to assume that the more satisfied the customers are, the higher the likelihood that they will purchase the same service repeatedly in the future.

Although there is no consensus in literature on the relationship between satisfaction and loyalty, a paper by Jan, Abdullah and Smail (2013) highlight that a number of studies carried out in the airline context provide evidence of a positive correlation between customer satisfaction and loyalty. Han, Kwortnik and Wang (2008) carried out a study across service contexts including airlines and hotels and concluded that the key determinants of loyalty are service quality, service fairness, customer satisfaction, commitment and trust. Other researchers investigated the relationship between service quality and satisfaction and the impact of these two

variables on customer loyalty (Zafar, Zafar, Asif, Hunjra and Ahmad 2012; Tian-Cole, Crompton and Wilson 2002; Wong and Sohal 2003). These studies concluded that service quality leads to customer satisfaction and ultimately to loyalty. On the other hand Lemon *et al.* (2002) argue that while satisfaction is a key determinant of a customer's decision to keep or discontinue a service relationship, future utility considerations and other relational aspects that create switching costs also influence a customer's decision to continue a service relationship. In the light of the foregoing discussion, the study hypothesised that: *H1: Customer satisfaction leads to customer loyalty*

### **Customer loyalty programmes' influence on satisfaction**

A number of studies confirmed the importance of customer loyalty programmes in influencing airline preference and customer loyalty (Hess, Adler and Polak 2007; Lederman 2007; Lewis 2004). By dissecting research data into customer segments Dolnicar *et al.* (2011) found that loyalty programmes are strongly correlated with behavioural loyalty for business and frequent travellers while the relationship was weak for casual and leisure travellers. Loyalty programme privileges are mostly attained by frequent fliers, in particular, business travellers hence the low interest in such programmes by casual and leisure travellers. Frequent flyer programmes also influence habit formation for airline passengers because they increase switching costs for customers (Carlsson and Lofgren 2006). However Lewis (2004) argue that if a loyalty programme is going to be effective in increasing customer loyalty, it should be structured in such a way that it influences customers to view purchases as a sequence of related decisions as opposed to separate and independent transactions. Dolnicar *et al.* (2011) however concluded that drivers of behavioural airline loyalty vary for different market segments thus highlighting the need for marketing managers to develop customised offerings for each segment.

Loyalty points generate psychological benefits to the travellers by increasing the utility of a purchase transaction because these points can be redeemed for benefits at some point in the future, accumulation of points increases the likelihood of long term relationships (Lemon *et al.* 2002, Thaler, 2008). Basso *et al.* (2009) suggest that another way of viewing FFP is that they are tools that can be exploited by airlines to take advantage of the agency relationship that exists between the employee who books the flight and the employer who pays for the ticket. The researchers argue that a FFP can act as an inducement by which airlines can influence employees to choose a particular airline over a lower priced alternative (Basso *et al.* 2009). A number of studies have focused on identifying effective methods of enhancing loyalty, including the use of customer loyalty programmes to reward repeat purchases as a way of capturing a greater share of the consumers' spending (Meyer-waarden 2008; Lewis 2004). Liu (2007) investigated the long term effectiveness of loyalty programmes by conducting a longitudinal study and concluded that these programmes positively influenced purchase frequencies and transaction sizes for both light and moderate buyers making them more loyal. On the other hand Dowling (2002) questioned the effectiveness of loyalty programmes in enhancing customer loyalty or increasing customer retention and suggested that even the most well-designed customer

loyalty programmes only result in modest changes in consumer behaviour. Uncles *et al.* (2003) also argue that if a firm's competitors perceive that its loyalty programme is phenomenally successful they will quickly replicate it as the case with airline FFP, resulting in only short-lived gains. Based on the foregoing, the following hypothesis was developed: *H2: Loyalty programmes positively impact customer satisfaction*

### **Customer satisfaction's influence on the relationship between loyalty programmes and customer loyalty**

Kaura, Prasad, and Sharma's (2015) empirical results show that customer satisfaction mediates the relationship between loyalty programmes and customer loyalty. Vessel and Zabkar (2015) collected data from retail customers to test the impact of customer satisfaction in the relationship between loyalty programmes and customer loyalty; the results confirm a mediating role of customer satisfaction. Based on the foregoing discussion, the current study proposed that *H3: Customer satisfaction mediates the relationship between loyalty programmes and customer loyalty*

## **3. Methodology**

This study adopted the quantitative approach and the survey method. Systematic random sampling method was adopted to collect data from 148 airline passengers departing from the international terminal at Harare International airport using self-administered questionnaires. A sampling interval of 5 was used to select respondents leaving the check-in counter who had booked to fly on the airlines under study and confirmed having flown at least once with the same airline in the last 12 months. The study focused on routes to international destinations that were exposed to competition to ensure passenger discretion in airline selection. The reasons for choosing Harare International Airport for this study are threefold. Firstly there has been renewed interest in the airport from a number of airlines in the aftermath of the dollarization of the economy in 2009 which brought economic stability and contributed to a steep increase in passenger numbers that grew by 27% between 2010 and 2014 (ZimStat, 2015). Secondly the central location of the airport that is within three and half hours flight time from the majority of the Southern African capitals makes it a potential hub for the region. Lastly the airport was selected for the researchers' convenience and to minimise the costs of carrying out the study.

A self-administered questionnaire was used as a data collection instrument. The questionnaire design was based on prior studies investigating airline loyalty and behavioural intentions. The measurement dimensions for customer satisfaction were adopted from Olorunniwo, Hsu and Udo (2006) and Fraering and Minor (2013). They were modified appropriately to suit the current study and consisted of two items requesting respondents to indicate the extent to which they were satisfied with airline dimensions measured on a 7-point Likert scale and the statements were on a scale from 1(Extremely dissatisfied) to 7 (Extremely satisfied). There were two items and these were: 'I am satisfied with the

airline's customer loyalty programme', and 'I am happy with the rewards offered by the loyalty programme'. Measurement items for customer loyalty were adopted from Dehghan and Shahin (2011) and Caruana (2002). Three items were used and these are: 'I intend to continue flying with the airline', 'I have confidence in recommending the airline to friends and relatives', and 'I resist influences for me to switch to other airlines'. The items for the loyalty programmes scale were adopted from Gómez *et al.* (2006) and Uncles *et al.* (2003) and adapted to our specific context. The items included: 'Loyalty programmes make me strongly connected to the airline', 'I fly more frequently on this airline to earn more points', and 'If an airline does not have a customer loyalty programme I miss out on benefits'. The items for each construct are shown in Table 1.

**Table 1. Measurement of constructs**

<b>Construct</b>	<b>Items</b>	<b>Source</b>
Customer satisfaction	1. I am satisfied with the airline's customer loyalty programme 2. I am happy with the rewards offered by the loyalty programme'	Olorunniwo, Hsu and Udo (2006) and Fraering and Minor (2013).
Customer loyalty	1. I intent to continue flying with the airline 2. I have confidence in recommending the airline to friends and relatives 3. I resist influences for me to switch to other airlines	Dehghan and Shahin (2011) and Caruana (2002).
Loyalty programmes	1. Loyalty programmes make me strongly connected to the airline 2. I fly more frequently on this airline to earn more points 3. If an airline does not have a customer loyalty programme I miss out on benefits.	Gómez <i>et al.</i> (2006) and Uncles <i>et al.</i> (2003).

All items related to measuring customer loyalty programmes and customer loyalty were measured on a 7-point Likert scale from 1 (Strongly disagree) to 7 (strongly Agree). SPSS version 21 was used to process the data. Descriptive statistics and regression analyses techniques were utilised to analyse the data.

#### **4. Results**

##### **Reliability of the instrument**

The reliability of each scale was established through the use of SPSS. The reliability of the scale is the degree to which a set of items measure the same construct (Hair *et al.* (2010). A scale is considered to be reliable if the Cronbach's Alpha values are equal to or exceed the recommended threshold of 0.70 (Malhotra 2007). The loyalty programmes scale yielded a Cronbach Alpha of 0.863 while the



Customer satisfaction scale attained 0.710 and the scale for Customer loyalty was 0.700 which shows that all the Alpha coefficient values are at the acceptable and reliable level.

### Sample characteristics

The gender distribution was uneven with more males representing 58.8% (n=87) of the respondents compared to women at 41.2% (n=61). The majority of the respondents were aged between 18 and 60 years (94.6%; n=140), while the rest were over the age of 60. The ethnic composition was skewed towards Africans and Europeans representing 90.5% (n=134) of the valid cases. Almost half the respondents (49.3%, n=73) indicated that they had completed post graduate studies and the income levels for all the cases were evenly distributed.

### Hypotheses testing

The first hypothesis that Loyalty programme leads to customer satisfaction was analysed by regressing customer satisfaction onto loyalty programmes. Model 1 in Table 2 shows that loyalty programme is a significant predictor to customer satisfaction ( $\beta = 0.1379$ ;  $p < 0.05$ ). These results support *H1*.

**Table 2. Regression analysis**

Model 1: Customer satisfaction = f (Loyalty programmes)			
	Beta	t-value	Sig
Loyalty programmes	0.1379	2.5694	0.000*
Model 2: Customer loyalty = f (Customer satisfaction)			
	Beta	t-value	Sig
Customer satisfaction	0.7996	10.9425	0.001*
Model 3: Customer loyalty = f (Loyalty programmes)			
	Beta	t-value	Sig
Loyalty programmes	0.3275	4.6506	0.000*
Model 4: Customer loyalty = f (Loyalty programmes, Customer satisfaction)			
	Beta	t-value	Sig
Loyalty programmes	0.2197	4.6561	0.000*
Customer satisfaction	0.1079	3.873	0.000*

*H2* sought to evaluate the influence of customer satisfaction on customer loyalty. To test this hypothesis, customer loyalty was regressed against customer satisfaction. Model 2 in Table 1 depicts that customer satisfaction has a significant impact on customer loyalty ( $\beta = 0.7996$ ;  $p < 0.05$ ), which lends support to *H2*.

The third hypothesis stated that customer satisfaction mediates the relationship between loyalty programme and customer loyalty. The relationship was examined following a suggestion by Baron and Kenny (1986) who opined that a variable acts as a mediator if it meets four conditions. The first one is that the independent variable (loyalty programme) significantly influences the mediator variable (customer satisfaction). The second condition is that the mediator variable significantly impacts the dependent variable (customer loyalty). Thirdly, the

independent significantly affects the dependent variable, and finally, when both the independent and the mediator variables are considered together, the impact of the independent variable on the dependent variable is reduced. Partial mediation is present when the independent variable is significant and when its influence is reduced if the mediator is controlled, and there is full mediation when the independent variable has no effect when the mediator is controlled.

As indicated in Model 1 in Table 2, loyalty programme (the independent variable) significantly influences customer satisfaction (the mediator) ( $\beta = 0.1349$ ;  $p < 0.05$ ), which meets the first condition for the existence of a mediating effect. Model 2 shows that customer satisfaction significantly impacts the dependent variable, customer loyalty ( $\beta = 0.7996$ ;  $p < 0.05$ ), which satisfies the second condition. Model 3 indicates that loyalty programme significantly affects customer loyalty ( $\beta = 0.3275$ ;  $p < 0.05$ ), which achieves the third condition. Model 4 indicates that when both loyalty programme and customer satisfaction are considered in the same model, the predictive power of loyalty programme on customer loyalty reduced to ( $\beta = 0.2197$ ;  $p < 0.05$ ), compared to its explanatory power in Model 3 ( $\beta = 0.3275$ ;  $p < 0.05$ ). This supports the fourth condition for the existence of a mediating effect. The results demonstrate a partial mediation effect of customer satisfaction since the impact of loyalty programme on customer loyalty was reduced when the mediator, customer satisfaction was controlled for, as depicted in Model 4. Therefore *H3* is supported.

## 5. Discussion of the results

The study makes a contribution to the existing body of knowledge of customer loyalty literature by establishing and testing the mediating effect of customer satisfaction in the loyalty programmes and passenger loyalty relationship in Southern Africa. There are number of studies that have investigated the direct effect of loyalty programmes on customer loyalty and also the how customer satisfaction impacts customer loyalty. However, there is dearth of research on the mediating effect of customer satisfaction on the relationship between loyalty programmes and passenger loyalty especially in a developing country context like Zimbabwe. The results of the study are particularly important to airlines operating in Zimbabwe where the business environment is characterized by markets with big families with very low income levels due to the economic hardships in the country. Unlike other emerging countries like South Africa and Botswana, Zimbabwe as an investment destination for airlines has depressed markets due to very difficult economic conditions and this makes loyalty programmes a critical marketing tool. Mishra and Prasad (2014) have found that the lower the income levels of consumers, the higher the loyalty to loyalty programmes. The same study also revealed that the bigger the family size, the more loyal are households to loyalty programmes. Dorotic, Bijmolt, and Verhoef's (2012) study found that the effects of loyalty programmes across customer segments and markets are different. Therefore, the results of this study are of special importance to airlines operating in the Zimbabwean context since the depressed and uncertain nature of Zimbabwe's environment requires frequent use of loyalty programmes to help airlines enforce passenger loyalty.

The results of the study indicate that loyalty programmes activities by airline operators that aim to ensure passenger loyalty have to trigger customer satisfaction first. This demonstrates that loyalty programmes can have strong effect on customer loyalty via customer satisfaction. This shows that airline operators aiming to improve customer loyalty should invest loyalty programmes so that passengers are satisfied and eventually loyal.

The findings of this empirical study are expected to have to provide fruitful implications to both practitioners and academicians. On the academic side, this study makes a significant contribution to the customer loyalty literature by investigating the mediating effect of customer satisfaction on the relationship between loyalty programmes and passenger in a developing country as Zimbabwe. By and large, the findings of the current study provide tentative support to the proposition that loyalty programmes and customer satisfaction should be recognized as significant antecedents for customer loyalty in the context of a developing country such as Zimbabwe. Further, customer satisfaction should be recognized as a mediating variable between loyalty programmes and customer satisfaction.

On the practitioners' side, the significant influence of loyalty programmes on passenger loyalty and the mediating role of customer satisfaction in Southern Africa are highlighted. This study therefore submits that airline operators can benefit from the implications of these findings. For instance, given the robust relationship loyalty programmes and customer loyalty and also the mediating effect of customer satisfaction, airline operators need to pay attention to loyalty programmes and customer satisfaction in order to enhance passenger loyalty. By investing more on loyalty programmes, airline operators are able to satisfy the expectations and needs of passengers so as to create and sustain passenger loyalty.

The study focused only on Harare International Airport due to different conditions and cultures, the results might not apply to other Southern African countries. The study can be strengthened by including other international airports. Subsequent research studies perhaps could broaden the scope of the population by including other countries in Southern Africa. The study also could be improved by carrying out a comparative study between Southern Africa and other regions on the continent like the West, Eastern and Northern parts of Africa. By and large, the findings of this study and the suggested future avenues of study can contribute in generating new knowledge to the existing body of customer loyalty in Southern Africa, a context that has been neglected by researchers.

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