

https://dspace.org/

The investigation of Kulula (Slow XS) Lounges for the South African Low-Cost Carrier

Muchena, Nyasha Lynnete

2017
https://hdl.handle.net/10539/30601

Downloaded from a DSpace repository. https://dspace.org/

The investigation of Kulula (SLOW XS) Lounges for the South African Low-Cost Carrier

Nyasha Muchena

Student number 1560453

A consultancy report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfillment of the requirements for the degree of Master of Business Administration

Johannesburg, 2017

DECLARATION

I, Nyasha Muchena, Student Number 1560453, declare that this consultancy report is my own work except as indicated in the references and acknowledgments. It is submitted in partial fulfillment of the requirements for the degree of Master of Business Administration in the Graduate School of Business Administration, University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Nyasha Muchena 

Signed at ……Johannesburg……

On the ……25…….. day of ……April…… 2018…..

DEDICATION

I dedicate this report to my mother Rachel Motsi, who has always believed in me and pushed me to pursue my academic career without fear.

ACKNOWLEDGEMENTS

First and foremost, I would like to acknowledge my Lord and Savior Jesus Christ who made it possible for me to further my studies with this master of business administration degree. I would like to thank my uncle Joseph Muchena who always reminds me that I can achieve anything I set my mind to do. I would also like to thank my supervisor Moeketsi Makhalemele for giving me guidance and direction in this research study. I also want to thank Antony Stacey for assisting me with the data analysis.

Last but certainly not the least, I would like to thank my children for their understanding during the tenure of my studies, where I have not been easily accessible.

SUPPLEMENTARY INFORMATION

Supervisor: Moeketsi Makhalemele

Word count:15 419

Supplementary files: Sawtooth Software for the Conjoint Analysis

Qualtrics software for the distribution of the online survey

TABLE OF CONTENTS

DECLARATION ii

DEDICATION iii

ACKNOWLEDGEMENTS iv

SUPPLEMENTARY INFORMATION v

TABLE OF CONTENTS vi

EXECUTIVE SUMMARY 1

1. Introduction 2

1.1 Purpose 3
1.2 Context of the study 3
1.2.1 Description of the Industry, the company profile, and the business concept 4
1.3 Problem Statement 5
1.3.1 Sub-problem 1 5
1.3.2 Sub-problem 2 5
1.4 Research Objectives 5
1.5 Definition of terms 6
1.6 Assumptions 7

2. Literature Review 7

2.1 Market factors 7
2.2 Competitive advantage 8
2.3 Ancillary Products and Revenue 9
2.4 Customer Satisfaction 10
2.5 Marketing Strategy 11
2.6 Consumer Preference 11
2.7 Previous consulting engagements and interventions 12
2.8 Traditional Consulting methods and opportunities for innovation 14
2.9 Implementation of actions plans 15

3. Methodology 17

3.0 Consulting methods and opportunities for innovation 17
3.1 Qualitative Approach 19
3.1.1 Population 20
3.1.2 Sample 20
3.1.3 Sampling Method 21
3.1.4 Data Collection Instrument 21
3.2 Quantitative Approach 22

3.2.1 Population 23
3.2.2 Research Design 23
3.2.3 Sample 25
3.2.4 Sampling Method 25
3.2.5 Data Collection Instrument 25
3.3 Validity 26
3.4 Reliability 27
3.5 Limitations 27
4. Data Analysis 27
4.1 Qualitative Data Analysis 28
4.1.1 Content Analysis 28
4.1.2 Qualifying Criteria 28
4.1.3 Commercials 29
4.1.4 Marketing Strategy 30
4.1.5 Comair Internal Processes 31
4.2 Quantitative Data Analysis 31
4.2.1 Conjoint Utility Importance 32
4.2.2 Consumer Purchase intent 35
4.2.3 Market share simulation 36
5. Recommendations 40
6. Conclusion 41
7. References 41
8. APPENDIX A 47

List of Tables

Table 1: Conjoint attributes and levels 24

Table 2: Conjoint Utilities – Averaged Importance Score 33

Table 3: Price conjoint utility values 33

Table 4: Brand conjoint utility values 34

Table 5: Food and Beverage Quality conjoint utility values 34

Table 6: Ambiance conjoint utility values 34

Table 7: Purchase Share and Revenue Projections per Price table 39

List of Figures

Figure 1: Business Model Canvas 13

Figure 2: Balance Scorecard strategy map (Kaplan, 2005) 18

Figure 3: Main steps of a conjoint analysis experiment (Boesch et al., 2013) 23

Figure 4: Estimated costs and ROI for a SLOW XS lounge 30

Figure 5: Quick Decision Curve 35

Figure 6: SLOW Decision Curve 36

Figure 7: Scenario 1 - A SLOW XS lounge with a full-service buffet and bar in a restaurant-style setup at R100 per person 36

Figure 8: Scenario 2 - A SLOW XS lounge with a full-service buffet and bar in a restaurant-style setup at R150 per person 37

Figure 9: Scenario 3 - A SLOW XS lounge with a full-service buffet and bar in a restaurant-style setup at R200 per person 37

Figure 10: Scenario 4 - A SLOW XS lounge with a full-service buffet and bar in a restaurant-style setup at R250 per person 38

Figure 11: Scenario 5 - A SLOW XS lounge with healthy snacks, wine and malt in a restaurant-style setup at R250 per person 38

Figure 12: Purchase Share and Revenue Projections per Price Chart 39

EXECUTIVE SUMMARY

Purpose: This consultancy report is aimed at providing empirical evidence for consumer intent to purchase and preference for a SLOW XS lounge at the Lanseria International Airport as well as an evaluation of Comair's organizational readiness to support its establishment.

Methodology: The methodology consisted of a quantitative section which was done via a conjoint survey of the Kulula passengers and distributed online. Scenarios with different levels of defined attributes were presented as options for the passengers after which a conjoint analysis was done in the Sawtooth software before interpreting the results. The consultancy report also included a qualitative component where internal Comair staff were interviewed via face-to-face interviews and content analysis was done to determine the organization's readiness to establish a Kulula lounge at the Lanseria International Airport.

Results: This consultancy report outcomes showed that brand and price have greater importance to consumers when compared to ambiance and food and beverage quality. In assessing consumer purchase intent and preference for an airline lounge, the market indicated sensitivity to price, however, the brand attribute is influential enough to convince some passengers to purchase a lounge service for a high valued brand at a higher price. The SLOW XS brand is perceived to be of high value in the airport environment hence the launch at the Lanseria international airport is likely to succeed much like its predecessor SLOW lounge brand.

Limitations: The results of this study cannot guarantee the actual purchase behavior due to the fact that the movement of the purchase share is only indicative and not definite. The time set for the data collection did not allow for a big enough sample to draw meaningful conclusions.

Conclusion: Although market share is sensitive to price, there are consumers that are willing to pay for a quality service such as an airport lounge to enhance their travel experience. This is consistent with the demand by consumers for quality services as highlighted in the literature.

Recommendations: Comair is able to launch a new SLOW XS brand due to its brand power in the airport environment. It also does not need to drop its value of R250 since it can still make more revenue from passengers willing to pay that that price, than if it lowers the price to R100 where it would sell more lounge passes but make less revenue. However, the sample size used in the conjoint survey was not big enough to draw meaningful conclusions and therefore the study should be repeated with a sample of at least 1000 participants. Further studies can also include demographic profiles in the market simulation to identify the exact market segment of passengers who are willing to purchase SLOW XS lounge access.

Keywords: Ancillaries, Attributes, Consumer Preference, Customer Satisfaction, Levels, Low-Cost Carrier, Market Share Simulation, SLOW XS Lounge, Quality Service, Utilities.

1. Introduction

The objective of this chapter is to provide an overview of some of the Low-Cost Carrier (LCC) survival factors in the South African airline industry. This chapter also includes a description of how Comair Limited can leverage its successful SLOW lounges brand by extending the product offering to passengers of its low-cost carrier, Kulula, through a smaller SLOW XS lounge brand.

The purpose of establishing this brand offering is to increase profitability through additional ancillary revenue generated by enabling Kulula passengers to purchase lounge access as part of their flight booking. According to Hao (2014), ancillaries in the airline industry, are revenues that are derived from non-ticket sources such as priority boarding, baggage fees, seat selection, onboard food, travel insurance and lounge access. The discussion in this chapter will therefore also include some background leading to the establishment of ancillaries in South Africa as a major source of non-airline revenue outside the traditional flight ticket sales, with a particular focus on Comair's SLOW lounges and the expansion of that brand to its Kulula passengers.

Airlines Industry (2016) previously stated that the airline industry was expected to carry around 26.9 million passengers by the end of 2019 which is a Carrier Average Growth Rate (CAGR) of 9.4% from 2014 to 2019. The airline travel industry report predicted an increase in passenger figures which presented opportunities for revenue growth with forecasts for the 2014-2019 period indicating further growth in revenue as well as passenger numbers, although this growth was not expected to increase airfare prices due to the low oil prices. However, a recent media-press statement by Comair Limited (2017) stated that the tough economic climate in South Africa has led to reduced consumer spending.

The notable stagnancy in the domestic airline-passenger market means that the company has had to find other ways to increase purchases by its existing consumer base to ensure continued profitability under the constrained economic environment. This decline in consumer spending substantiates Comair Limited's strategic direction (Comair Limited, 2016) for continued growth through the diversification of its airline business with travel-related businesses such as lounges, third-party simulator pilot or crew training and catering through its SLOW lounges, Comair Training Centre (CTC), Food Directions catering and Kulula Holidays non-airline segments. This is in addition to Comair forming strategic partnerships with vitality, hotels, car rental and travel agents adding vitality discounts, hotel accommodation, car hire services and holiday packages to its product offering (Airlines industry, 2014).

1.1 Purpose

The purpose of this consultancy project is to determine: consumers' intent to purchase a scaled-down version of Comair Limited's existing SLOW lounge brand, SLOW XS, at the smaller airports which do not currently offer the lounge service; as well as consumers' preferences based on presented options in order establish a viable financial model for Comair Limited to launch this SLOW XS. This consultancy report provides empirical evidence regarding consumer preferences and an evaluation of the organizational readiness to support the establishment of a new SLOW XS departure lounge at the Lanseria International Airport. Included in this consultancy report is also a description of a market share simulator which identifies the set of attributes and levels that influence consumer choice amongst the alternative choices available.

This research study is as a result of the company's drive targeted at adding a unique value-added service for Comair Limited company's LCC Kulula customers with the objective of increasing ancillary revenue.

1.2 Context of the study

Comair Limited launched its current SLOW Lounges in 2009, which operate within the airport terminals at King Shaka International Airport, Cape Town International Airport, OR Tambo International Airport as well as SLOW in the City in Sandton, however, there was no lounge built for the Kulula passengers traveling out of Lanseria. An annual report by Comair Limited (2016) highlighted that the SLOW Lounges are known for their high quality and creative prowess. The SLOW Lounges have set a global standard where the lounges are positioned as a service that provides passengers with a tranquil, comfortable and convenient place to relax and SLOW down from the busy and fast-paced airport terminals as well as their hectic day to day activities. Comair's objective for implementing the lounges is to improve passengers' traveling experience in order to become the most preferred airline selection for customers within its operating environment (Comair Limited, 2016).

The SLOW XS Kulula lounge to be established at the Lanseria International Airport will provide comfort, food, and beverages including wine selections with engaging wine tasting experiences to Kulula passengers which will enable them to rest, refuel, refresh or work before departing on their flights. This will allow Comair to offer Kulula passenger's convenience within the busy airport environment which will increase customer satisfaction and position the LLC carrier as a quality brand which gives it a competitive advantage (Comair Limited, 2016).

Offering lounge access to Kulula passengers will enable Comair to add value to selected customers willing to pay for the product thereby creating a competitive edge. The SLOW XS brand will leverage the success of its predecessor SLOW Lounge brand which has set a global standard for airport lounges, creating a comfortable haven for passengers away from their busy day to day activities (Comair Limited, 2016).

It becomes therefore important for Comair to understand consumer preferences especially with the SLOW XS lounge being targeted at Kulula passengers traveling out of Lanseria which is a new customer segment whose needs are not yet known. The financial model for a SLOW XS concept, which is a scaled-down experience of the existing SLOW lounges needs to be substantiated. This is due to the fact that it was not known for certain how much value consumers would attach to a SLOW XS lounge experience for the LCC Kulula passengers traveling out of Lanseria International airport. Up till now, only FNB, RMB credit card holders, as well as British Airways (BA) Executive club members have access to the existing SLOW lounges and the SLOW XS concept, will now allow passengers to purchase SLOW XS lounge access.

1.2.1 Description of the Industry, the company profile, and the business concept

The entry of the first low-cost carrier in Comair's Kulula in 2001 and subsequent entries by other airlines resulted in increased passenger figures which led to the subsequent increase in the usage of the secondary Lanseria airport in Gauteng. The entry of low-cost carriers created a wider range of choices for customers. Kulula started flying passengers from Lanseria International Airport to Cape Town and Durban in 2006 (Luke & Walters, 2013).

Despite the tough operational airline industry conditions, Kulula was rated as the most superior low-cost South African airline by the South African Customer Satisfaction Index (SAcsi) (SAcsi, 2016). However, like other LCC airlines, Kulula is faced with the challenge of continuously making significant profit margins whilst at the same time satisfying its passengers, which demand better quality service. Having launched its existing SLOW Lounge business in 2009, Comair Limited Group initially targeted the market segment consisting of FNB, RMB credit card holders as well as the British Airways Executive Club members only. However, due to the fact that Kulula passengers do not belong to the British Airways Executive Club members club, that market segment was excluded from accessing the SLOW lounges.

The company, therefore, aims to take advantage of its successful SLOW Lounge brand to meet its Kulula customer needs for continued service improvements by investing into the establishment of a SLOW XS departure lounge at Lanseria International Airport which may be extended to its smaller stations where a

SLOW lounge does not currently exist. Comair aims to continuously improve services delivered to its customers by offering convenience and comfort to Kulula passengers who appreciate a value-added service such as a departure lounge at the airport. The expected outcome of this initiative is to improve customer experience and satisfaction whilst simultaneously increasing revenue generation. The company also intends on tapping into a previously excluded segment of customers who have not used lounge access before due to the fact that they did not belong to the British Airways Executive club or have an FNB or RMB credit card (Comair Limited, 2016).

1.3 Problem Statement

The problem of the increase in customers' demands for quality service, which make the passenger's journey more delightful in a tough economic environment with price-conscious customers, creates the need for the airlines to create innovative service offerings not only to retain their customers but also to acquire new ones. The lack of a passenger lounge for Kulula customers traveling out of Lanseria International Airport affects the generation of ancillary revenue via the selling of lounge access as an integrated service to its passengers. The impact of which would be a decline in customer satisfaction due to the absence of a value proposition which addresses the needs of a particular segment of customers willing to pay for the product. The solution of which would be to provide the ability for customers to be able to purchase SLOW XS lounge access which will present a new value-added service to the customers and give the Kulula carrier competitive advantage by making lounge access part of an integrated service offering.

1.3.1 Sub-problem 1

The first sub-problem is to evaluate the organizational readiness of the company's internal processes and resources to launch lounge access as an ancillary product to Kulula passengers.

1.3.2 Sub-problem 2

The second sub-problem is to evaluate consumer purchase intent as well as preferences for a SLOW XS (Kulula) lounge over other alternatives available at the airport based on the brand name, price, ambiance, food and beverage quality attributes.

1.4 Research Objectives

In line with its SLOW lounge business expansion strategy, Comair requires empirical evidence to support the launch of a smaller SLOW brand, SLOW XS at the Lanseria International to service its LCC carrier, Kulula passengers (Comair Limited, 2016) and hence the research has the following objectives:

1. To evaluate Comair's internal processes in order to determine the organization's readiness to establish a Kulula lounge at Lanseria International Airport so as to increase revenue generated by the Low-cost carrier.

2. To evaluate consumer purchase intent and preferences for a Kulula lounge over other available options at the Lanseria International Airport.

1.5 Definition of terms

There are key terms that need to be defined for this research:

Low-Cost Carrier – These are airlines that offer basic travel services for lower fares which exclude certain comforts associated with traditional airlines like complimentary in-flight food for economy passengers (The Economist, 2013).

Ancillaries – Hao (2014) describes ancillaries as non-airline products and services revenues such as seat selection, priority boarding, and lounge access. These are sold to passengers in addition to their flight ticket.

Consumer Preference – Walisinghe and Gunaratne (2012) describe consumer preference as their choice for a product or service when compared to other available alternatives in the market.

Attributes – Characteristics or features of a product or service that represent consumer needs or stimuli (Netzer, et al., 2008).

Levels – They are associated with attributes and represent different values that can be used to represent the particular attribute, for example, the price can be an attribute and the values can be R250, R200 or R100 (Netzer, et al., 2008).

Utilities — Walisinghe and Gunaratne (2012) describe utilities as the subjective preference decision of the usefulness, desirability or value that consumers place on a product based on its attributes.

Market Share Simulation - Orme and Huber (2000) explained market share simulation as the aggregation of the individual choices over a set of attributes in a given scenario to predict the purchase share for a particular service offering.

SLOW XS Lounge – Comair Limited (2016) is to establish a new concept SLOW XS Lounge at the Lanseria International Airport whose size will be smaller but comparable in quality to, the existing SLOW Lounges.

Customer Satisfaction - Kalaiarasan, Appannan and Doraisamy (2015) describe customer satisfaction as when a product or service fulfills the customer's expectation after a particular service encounter.

Quality Service – Kalaiarasan et al. (2015) state that quality of service can be defined as a customer's perception of the degree of excellence of a particular service encounter.

1.6 Assumptions

- The number of respondents at the Lanseria International Airport who agreed to complete the conjoint survey questions gave a true reflection of their preferences.
- Data collected from willing participants of the quantitative research portion of the study will be similar results to data collected from another sample of the target population that did not participate.
- The participants of the conjoint survey were knowledgeable about the products included in the conjoint survey.
- The attributes defined in the conjoint survey were relevant and indicative of all the factors that influence consumer choice for an airport lounge.
- Comair has sufficient budget allocated for the construction, maintenance, marketing and staffing of a SLOW XS lounge at the Lanseria International Airpot.

2. Literature Review

2.1 Market factors

This chapter reviews the literature regarding the introduction of ancillaries into the competitive operating environment for LCC's in South Africa. It also describes the need for airlines to increase customer satisfaction by providing consumers quality services. The chapter then describes the tools used to measure consumer

preferences by marketing researchers and concludes by including a section which describes the consulting approach used for this research study.

Comair Limited launched Kulula.com as the first company to provide an LCC in the South African airline industry in order to meet a growing desire for customers to have economical air travel caused by a weakening economy which led to the market becoming increasingly price-conscious. The company's initial innovation of creating easy online bookings directly with the airline to secure affordable fares set the precedence for new entrants in the Low-Cost Carrier airline industry with the launch of other airlines such as Mango, Cemair, Velvet Sky, 1Time, Skywise, FlySafair and Blue Crane. Comair's competitive landscape grew more intense and created added pressure for the airline to differentiate itself from its competitors. Many of the locally owned airlines such as Skywise, 1Time and Velvet Sky did not survive the tough industry because of increases in oil prices and intense competition (Henama et al., 2016).

The tough economic environment evidenced by the insignificant gross domestic output in South Africa means that the domestic airline-passenger market is growing at a rate that is below the global standards, and this hinders airlines from making significant profit margins. Comair has since turned to growing its non-airline business which now contributes a 20% of its profit and hence has since become a key tactical focus for the company (Comair Limited, 2017).

2.2 Competitive advantage

Airlines need to maintain profitability in the tough operating conditions which include fixed aircraft costs, airport fees, insurance, duties and taxes, fuel and staffing expenses. Low-cost carriers have fewer avenues in which to differentiate themselves since they operate on a no-frills basis which makes price a primary factor for customers when choosing an airline. Many airlines have adapted related diversification strategies into non-airline products and services such as lounge access (Potgieter, 2014).

Low-cost airlines in South Africa operate in a very competitive environment where the need for carriers to differentiate themselves through their service offering is now crucial for customer retention as well as gaining market share. Airline lounges are a differentiating factor which improves an airline's competitive advantage over other airlines in terms of services rendered to customers based on the quality and level of service. LCC's are able to charge passengers for ancillaries such as in-flight services, extra baggage, bag insurance, extra legroom, priority boarding and lounge access (Henama, Acha-Anyi, & Sifolo, 2016).

The competitive airline operating environment acts as a stimulus for airlines to relentlessly deliver innovative services to their consumers (Suhartanto & Noor, 2012). Airlines can achieve this by having competitive flight prices, improving customer experience and convenience services, adding distinctive features with perceived greater value or offering unique benefits to their customers (Sandada & Matibiri, 2016).

Chua, Lee, Kim and Han (2017) proposed that, in a highly competitive environment, airlines should aim to develop service offerings that include places of comfort which allow passengers to refresh, refuel or work as this can add to a more gratifying travel experience which can positively impact the travellers' perception of satisfaction. Chua et al. (2017) established that assimilating access to an airport lounge for a fee whilst purchasing a flight ticket can create a set value added services to customers looking for comfort and combined services during their waiting periods before departing the airport. Han, Yang and Baek (2012) assert that the ambiance, image, and services in an airline lounge have a probability of impacting the customer's choice of an airline.

Kulula, therefore, aims to gain a competitive advantage by offering a unique SLOW XS lounge access service to its passengers departing out of the Lanseria airport thereby creating an enhanced customer experience which differentiates Comair from its competitors (Comair Limited, 2016).

2.3 Ancillary Products and Revenue

According to Bryan and Dastin (2015), airlines employ a strategy whereby they strive to retain their customers by selling extra services such as hotel stays, car rental, priority boarding, additional legroom or lounge access which keeps passengers on their websites whilst concurrently reducing traffic on low-price comparison sites like Travelstart. Globally, Ryanair a low-cost airline in Ireland gets more than thirty percent of its revenues from ancillaries. The airline is able to realize those revenues by increasing profitability through driving ancillary revenue via its own website. An industry research showed that airlines which sell flights with extras such as lounge access can realize a signification portion of its revenue from selling ancillaries. Small and medium enterprises (SME)'s can utilize LCC's to reduce business travel costs of a company, creating an opportunity in the market, which consists of price-conscious business travelers (Henama et al., 2016).

Although LCC's have traditionally relied on a low price strategy targeted at the price-conscious passengers in order to gain market share, many airlines are now driving ancillary revenue due to the pressure of increasing fuel costs which decrease profit margins (Henama et al., 2016). Such ancillaries include prepaid meals, extra bags, insurance and lounge access, which is a revenue stream that has now become a major

financial component of revenue generation for the LCC's. Hao (2014) states that some passengers are also willing to pay for more convenience services like priority boarding and lounge access before the flight, if the options are presented to them during the booking process on the airlines own websites. Comair initially offered its priority boarding and lounge access convenience services to its British Airways customers and will now be extending the lounge access service offering to its Kulula passengers traveling from the Lanseria International Airport (Comair Limited, 2016).

Kulula was launched predominantly for passengers who are price conscious and less worried about the frills associated with a full-service airline. Muli (2012) mentioned that although the LCC mostly attracts passengers traveling for personal reasons, a lot of SMEs also use the carrier and passengers in that segment require more in terms of service than just getting to a destination. With the rise of customer demand for better quality service, Comair diversified its product offerings into the SLOW lounges at ORT, King Shaka Zulu, and Cape Town international airports and is now extending the service offering to the Lanseria International Airport through a scaled-down SLOW XS departure lounge to cater for the smaller traffic of passengers available there. Comair will thus be able to transfer its winning formula for its Comair British Airways (BA) Executive Club members and FNB/RMB customers to its LCC Kulula brand in a convergence business model (Muli, 2012).

2.4 Customer Satisfaction

Kalaiarasan, Appannan and Doraisamy (2015) describe customer satisfaction as when a product or service fulfills the customer's expectation after a particular service encounter. Customer satisfaction retention is key in driving airline profitability which in turn ensures its survival. Loyal customers are said to be less likely to search for alternatives when they are satisfied with the quality of service they experience with a particular airline. In fact, several studies show that customers who are highly satisfied are more loyal and have a high a propensity towards repeat purchases (Sandada & Matibiri, 2016).

Previous studies by Pakdil and Aydm (2014) suggest that the existence of an airline lounge is a tangible factor that can impact a customer's perception of the quality of service that an airline offers. Chua et al. (2017) highlighted airport settings which include the airline's lounge as being instrumental in motivating the customer to provide repeat business to an airline. Han et al. (2012) further broadened the previous research parameters to incorporate the practical elements of an airline lounge namely the physical setup, accessibility, type of food and refreshment drinks, impression or aura as a key factor contributing to a better customer experience.

The quality of service that airlines offer to their passengers has a great influence on customer satisfaction, in fact, it can be argued that customers are willing to pay more for good service and that brand loyalty can be impacted by the customers' perception pertaining to the supremacy of a service (Suhartanto & Noor, 2012).

2.5 Marketing Strategy

Walsh and Khan (2016) state that airport lounges appeal to a segment of travelers who prefer a quiet comfortable space where they can get healthier menus with locally sourced food and beverages. The SLOW lounge concept has proved to be successful thus far for Comair Limited (Comair Limited, 2017) and the brand's strengths, as well as service delivery, still managed to produce a 2% increase in domestic passenger numbers.

Panyane (2017) reported that the SLOW XS Lounge (Kulula) concept for the Lanseria airport will be crafted into a space that offers a refined sensory experience and an appreciation of the finer things in life, built with a compact design that places emphasis on detail. However, the details of the food selection, the setup of the lounge, whether to be more office-oriented or restaurant style-focused, will be largely based on the empirical evidence gathered from the consumer survey.

A previous study by Ireland (2011) described a growing trend where an increase in corporate travel had a positive and significant impact in the number of lounges accesses sold. Business travelers who prefer to have a comfortable traveling journey are willing to pay for it, are likely to add ancillary services like lounge access. This consultancy study was therefore structured to also find out if there are more travelers who travel for business than leisure so that a targeted campaign can be crafted for these passengers.

2.6 Consumer Preference

An understanding of consumer preferences is instrumental in developing products that meet consumer needs and expectations. Some consumers consider the brand more important than the price, whilst some make the purchase decisions based on price alone. In other words, goods and services are valued based on the set of attributes they possess. Thus, the selection of attributes and levels is critical in evaluating what influences consumer choice. Nenad, Salai, Kovac-Znidersic, Djokic and Tomic (2013) suggest that establishing market segments facilitates the way that a product is marketed and launched, and also gives insights into reasons why certain customers may not purchase particular products.

The conjoint analysis method, which is based on the concept that consumers value products using the utility of its attributes, is now widely used in marketing research to get a quantitative measurement of consumer choices especially in the area of product pricing, placing, packaging, positioning, and promotion. Netzer et al. (2008) stated that financial models are now being developed to understand the reasons for consumer product choices using market share simulators. Orme (2010) argued that consumers' willingness to pay can be derived from analyzing the monetary value they associate with a particular service or product.

Conjoint analysis presupposes that the value that consumers place on a product based on its attributes can be demonstrated by the value of the sum of utilities for its attributes. The utility values can then be used in market simulations that derive probability or likelihood of purchase to forecast market share after presenting two or more scenarios to consumers who indicate their preference for each scenario (Lee, Choi, Lee, & Kang, 2005).

A decision point is then displayed for each level of an attribute for each respondent, of which the aggregate of the individual choices will then become the purchase share for a set of attributes in a given scenario (Orme & Huber, 2000).

2.7 Previous consulting engagements and interventions

Other previous consulting engagements centered around effectiveness of the organization predominantly guided by the 7-S model which looks at staffing, structure, skills, shared values, strategy, systems, and style (Tharollo Consulting, 2016) . However, this engagements exclude the customer view, which is an essential element for thriving in very competitive operating environments such as the airline industry (Kaplan, 2005).

Tharollo Consulting (2016) used another alternative which was Osterwalder's business model canvas as a framework to assess the viability and feasibility of launching the SLOW XS lounges as shown in Figure 1 below. The model gives a complete description of how a business model can be decomposed into nine components (Mnakri , 2014). The business model canvas demonstrated that expanding the existing SLOW lounges to include a smaller SLOW XS brand by leveraging the nine elements described in Figure 1 below was a feasible option. However, it lacked the compelling rationale of how the existing Comair diversification strategy could make use of existing capabilities to provide future value based on factors driven by consumer choice and selection in the highly competitive operational environment.

<table>
<tr>
<td rowspan="2">Key Partners
FNB
Food Directions
Discovery</td>
<td>Key Activities
Ability to market ancillaries
Ability to sell ancillaries
Ability to book ancillaries</td>
<td rowspan="2">Value Propositions
Rapidly, quickly and effectively deliver personalised offers, new and enhanced airline products and services in a cost effective manner
Efficient access to the most transparent , comprehensive comparison shopping and relevant travel content for kulula travellers
Easy adaptation of ancillary products sold through the Kulula website and Partner distribution channels
Airlines can help evolve the traveler's purchase decision in indirect channels from being based strictly on price, rendering airlines as substitutable commodities, to overall value based on factors such as airports, food and beverage quality, convenience, ambience, brand and price. Price, will however, no longer be the lead or sole criteria.</td>
<td>Customer Relationships
Face to face
Personalised relationships with travel agents
FNB short message service</td>
<td rowspan="2">Customer Segments
Small to medium business travellers
Travel agent group bookings
Sport groups
FNB customers
Kulula travelers
Vitality customers</td>
</tr>
<tr>
<td>Key Resources
Airport Lounge
Food and Beverages
Human Resources in the form of the airport staff, lounge service staff , revenue management, sales and marketing team and IT staff
Lounge System</td>
<td>Channels
Direct Channels – Kulula Website, Call Centre, Kulula App
Indirect Channels – FNB short message services
Travel Agents</td>
</tr>
<tr>
<td colspan="3">Cost Structure
Pilot running costs</td>
<td colspan="3">Revenue Streams
SLOW XS ancillary sales
Revenue from partner distributors like Discovery and FNB</td>
</tr>
</table>

Figure 1: Business Model Canvas

2.8 Traditional consulting methods and opportunities for innovation

Traditional consulting methods commonly used by organizations in strategic planning include the Ansoff Matrix, SWOT analysis and the Balance Score Card (Simister, 2011).

The Ansoff Matrix is a traditional consulting approach used for formulating strategic directions for organizational growth namely

- Market Penetration which involves increasing the number of existing products or services within the existing markets ,
- Product development where new products (or services) are introduced to existing markets,
- Market development which involves launching existing products or services to new markets and
- Diversification which involves increasing the range of products or markets served by an organisation (Johnson, Whittington, Scholes, Angwin, & Regner, 2014).

Comair Limited decided on a related diversification strategy which involves expanding into products or services with relationships to the existing business (Johnson, Whittington, Scholes, Angwin, & Regner, 2014). However, this approach does not give management insight into how to execute the strategy.

Another commonly used traditional consulting method is the analysis of an organization's Strengths, Weaknesses, Opportunities and Strengths also knows as the SWOT analysis. However, this analysis method does not offer guidance on how to monetise opportunities and minimise threats. SWOT analysis only gives a high-level overview which requires more detailed analysis. Tharollo Consulting (2016) identified the following Strengths, Weaknesses, Opportunities and Threats were identified for Comair Limited:-

- Strengths – The economic recession has less impact on customers who value quality and convenience associated with an airport lounge and would therefore be willing to pay for it.
- Weaknesses - The low income earning Kulula passengers like students consider the airport lounge service offering to be a luxury and not an essential.
- Opportunities - Comair Limited has the ability to leverage the existing successful SLOW lounge brand to expand ancillary revenue generation whilst enhancing customer value.
- Threats - The stagnation of the domestic airline-passenger market means that any strategies directly linked to flying passengers are not expected to yield much financial growth in the near future due to the low passenger load volumes. This means that revenue forecasts based on services directly attached to flight purchases can at best be deemed to only be estimates and not reflective of the actual consumer behaviour (Comair Limited, 2017).

The consulting approach which was therefore chosen for this research study employed the Balanced Scorecard (BSC) concept developed by Kaplan (2005) which incorporates the customer perspective in developing the company's strategy. The Balance Scorecard proved to be a more valuable approach to use for the consulting report due to its level of detail with regards to the internal process perspective which focuses on the innovation, customer management as well as operational management processes. It also led to a deeper exploration of the customer perspective using the price, quality, selection and service factors as these became instrumental in understanding how to expand revenue opportunities whilst leveraging existing partnerships with the goal of enhancing customer value and improving brand visibility to travelling passengers.

This consultancy research was therefore designed with the goal of meeting the objectives described in section 1.4 above which would result in the expansion of revenue opportunities whilst enhancing customer value and consequently long term shareholder value by utilising the successful SLOW lounge brand and maintaining a productive related diversification growth strategy .

2.9 Implementation of actions plans

The following action plans were identified as part of the initial three to twelve month implementation plan of the first SLOW XS lounge to be launched at the Lanseria International Airport. After which, three further SLOW XS lounges would be built at the OR Tambo, Cape Town and King Shaka International Airports over the next twenty four months.

1. Premises would need to be secured in order to construct the first new SLOW XS lounge at the Lanseria Airport and regulatory Airports Company South Africa (ACSA) compliance measures would need to be met.

2. Commercial partnership agreements with strategic partners Discovery and FNB, would need to be finalized before SLOW XS lounge access can be sold to Vitality or FNB customers via the Kulula.com website. The current commercial agreements for Vitality and FNB customer's grants them access to the SLOW lounges and these would need to be amended to include access to the SLOW XS lounges as well.

3. Continuous learning and development opportunities for contract staff to become permanently employed and be deployed to the new Lanseria Airport SLOW XS lounge would need to be identified. In

addition, selected airport permanent staff members would be identified for promotion opportunities into management positions to ensure the smooth running of the SLOW XS Lounges.

4. Operational costs would be reduced through the use of a linked supply chain by utilising the services of Food Directions which is a catering unit that belongs to the Comair Limited Group to supply the SLOW lounges whilst also providing on-board catering services to the Group's kulula and British Airways flight. This would give the Comair Limited Group control and flexibility in terms of cost and product offering as combining two or more product lines in one firm would be cheaper than producing them separately. It will also be much easier to implement changes to food served in the SLOW XS lounges based on customer feedback without the risk of insurmountable increases in food and beverage costs (Comair Limited, 2016).

5. An approach to explore price variations when targeting specific market segments could be implemented at different time periods for group bookings via travel agents for example when bookings are made for school children or sports teams. Other product mix considerations could be to bundle the SLOW XS service offering with other ancillaries for inclusion in a bundled product proposition or to offer discounted offers to high value customer segments as an incentive to purchase the SLOW XS ancillary.

3. Methodology

This chapter describes the research design and instruments, methods used in the data collection and analysis for this consultancy report. It also includes reasons for the choice of techniques used in the study and the basis for determining validity and reliability. The chapter also describes the consulting approach used for this consultancy report.

The consultancy research report is based on the results of both Qualitative and Quantitative research where the different sets of data served different purposes.

The qualitative research approach was used as part of the action plan to assess Comair's internal processes and overall organization's readiness to launch a scaled-down version of the existing SLOW lounge brand at the Lanseria International Airport. This phase of the consultation was done at the Comair Head Office through scheduled face-to-face interviews with identified key stakeholders.

Quantitative research was then employed to understand consumers' intent to purchase as well as preferences when presented with alternative options based on varied attributes and levels through a conjoint survey distributed to willing participants online. The survey was distributed to willing participants to complete at their own convenience after gaining the permission to obtain their email addresses from them at the Lanseria international airport.

3.0 Consulting methods and opportunities for innovation

The approach that was used in this consultancy report was that of scanning the operational environment in order to determine possible opportunities for revenue growth aligned to the organization's strategic goals highlighting the opportunity to increase revenue from ancillaries. Kaplan (2005) describes the BSC approach where companies use the four factors highlighted in Figure 2 below to assess organizational performance.

I. Return on investment (ROI) and revenue growth were identified by Comair executives as the monetary benefits to be realized by expanding the SLOW lounge brand to include a SLOW XS brand that caters for the smaller stations.
II. Understanding customer perspectives, which is instrumental in driving revenue increase, was highlighted as a key measurement of customer satisfaction for this consultancy report. It, therefore, became a critical success factor for the study with the objective of maintaining Kulula's most superior low-cost South African airline rating by SAcsi.

III. Internal business processes were also assessed in order to manage operational efficiencies within innovative projects that deliver quality products and services that meet customer expectations. The internal resources that provide supporting structures for strategy execution were identified to participate in the qualitative portion of the study, due to the fact that they possess critical skills required for the running a lounge business in the airport environment.

Continuous learning and development opportunities were identified for Lanseria staff that will be operating the SLOW XS lounge with the promotion of an airport staff member to the position of the SLOW XS Lounge manager for the Lanseria International Airport.

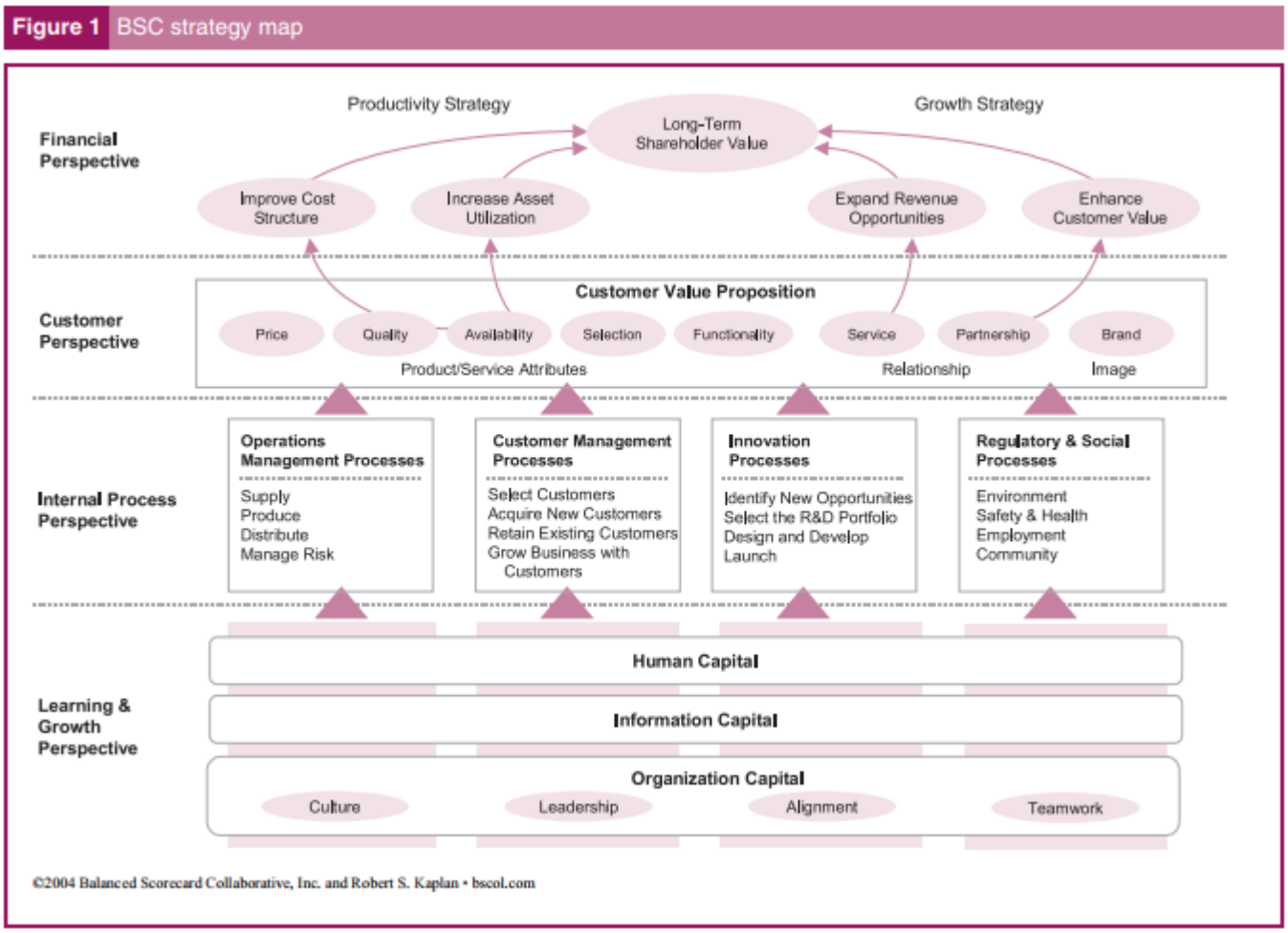


Figure 1: Balance Scorecard strategy map (Kaplan, 2005)

Kaplan (2005) argued that the BSC is a strategic tool that can guide organizations into successful strategy execution. The BSC was deemed suitable for this research study because it is a strategic management system that managers can use to allocate and align human resources as well as financial capital to strategic objectives. Management can get a holistic perspective of the company's performance through reporting that consolidates key performance indicators in a single view thus enabling managers to examine them together.

This also allows them to identify weak performing areas that require improvement. Strategic decisions can also be made to introduce products or services that differ slightly from existing products and services. The other reason this BSC tool was appropriate was that it presents the opportunity for Comair Limited to understand the consumer's perspective on the value that they place on a strategic service offering such as access to an airport lounge. The company, therefore, decided on doing market research on a sample of potential travelers out of the Lanseria International airport to understand consumer perspectives to help management with pricing decision and product positioning, an approach which Jochen (2015) stated to be consistent with product development marketing researchers. This falls within the customer perspective of the BSC strategy map as shown in Figure 2 above.

The innovation process for Comair's non-airline business follows an incremental approach which fits in with Comair's strategy of investing in its SLOW businesses demonstrated by the refurbishment of its SLOW lounges at the Cape Town and OR Tambo International Airports extending to the development of the SLOW XS concept at the smaller Lanseria International Airport. The advantage of the incremental innovation approach is that the new products or services are only slightly different from existing products or services which effectively reduces the time taken to develop and launch the new concepts (Comair Limited, 2016).

3.1 Qualitative Approach

Qualitative analysis was used to gather essential information from Comair internal stakeholders to assist the consultant in evaluating the organization's readiness to launch a SLOW XS departure lounge at the Lanseria International Airport. The qualitative approach was appropriate for this portion of the study due to the fact that it is concerned with qualities and non-numerical characteristics which is the type of primary data that was collected from the group of selected key Comair stakeholders. Open-ended relevant questions were asked to selected participants which allowed for the elicitation of ample and elaborate responses (Merriam, 2014) to be documented. Creswell (2014) affirms that qualitative research methods depend on text data which made it a suitable method of collecting and analyzing verbal or written responses from various the key stakeholders from Comair who were interviewed. This was also done with the intention of establishing trusting relationships between the consultant and the relevant stakeholders in order to gain stakeholder buy-in. The qualitative section of the consultancy report addresses the first research objective which is to determine Comair's organizational readiness to establish a Kulula lounge at Lanseria International Airport.

3.1.1 Population

Neuman and Robson (2014) describe a population as the total quantity of specified group of people, elements or objects which are subjects of a research. Etikan, Musa and Alkassim (2016) describe population as the universe where samples are drawn from a research study to draw out inferences regarding a particular research topic.

The target population for the qualitative research portion of the study was key Comair internal stakeholders. The population was selected based on the fact the (Rowley, 2012) population used in a research should consist of people that are knowledgeable about the specific topical area being researched, which in this case would require key Comair stakeholders to assist the researcher in understanding what internal Comair processes need to be put in place before a SLOW XS lounge can be launched at the Lanseria International Airport.

3.1.2 Sample

Etikan et. al (2016) states that a sample is a portion of a target population or universe. The sample that was used for the qualitative research portion of the study comprises of selected Comair's internal resources for the face-to-face open-ended interviews to be held at the Comair head office. This sample was selected because the participants provided answers that assisted in the evaluation of the organizational readiness of Comair's internal processes to launch SLOW XS lounge access as an ancillary product to Kulula passengers. This addressed the research objectives stated in section 1.4 above (Symon & Cassell, 2012).

The sample for the qualitative part of this research consists of 9 internal employees of Comair that were identified as key stakeholders in the lounge access consultancy research project.

The list of participants of the interviews held is as follows:-

1. Commercial Distribution Executive Manager
2. Ancillary Revenue Manager
3. General Manager SLOW lounges
4. Airport Operations
5. Revenue Accounting Manager
6. eCommerce Manager
7. SLOW Marketing Manager
8. IT Development Manager
9. Lanseria Airport Manager

3.1.3 Sampling Method

A non-probability sampling technique in the form of purposive sampling was used in the qualitative research portion of this study. Non-probability sampling is a technique used for selecting a sample in a non-random manner (Saunders, Lewis, & Thornhill, 2012). This technique was chosen due to the fact that the entire population of Comair stakeholders does not need to be involved in providing the empirical evidence required for building a Kulula lounge at the Lanseria airport. Members of the selected sample were chosen using the purposive sampling method where the subjective personal judgment of the consultant was applied based on the need to acquire answers to the first sub-problem defined in section 1.3.1 above, until a point of theoretical saturation was reached, which is where no new meaningful information could be acquired (Etikan et al., 2016).

3.1.4 Data Collection Instrument

Semi-structured face to face interviews with open-ended questions were held to elicit specific information from identified Comair Limited stakeholders. An interview is where the interviewer asks questions to the respondent and the answers are recorded as a form of data collection. The questions were asked with the intention of determining organizational strengths and difficulties. All interviews were conducted at the Comair Limited Head Office. The open-ended interview questions used in the semi-structured interview were then used to elicit narrative responses that resulted in more detailed responses (Couper, Kennedy, Conrad, & Tourangeau, 2011) where the respondents provided clarification and elaborated on certain issues.

The interview format used a basic set of questions that could be followed up with additional questions due to the fact it was semi-structured, which made the interview sessions conversational (Knox & Burkard, 2009) to allow for probing and clarification by the interviewer. This flexibility allowed the interviewer to follow up an answer from a respondent with any question they deemed suitable (Potgieter, 2014) ultimately making it possible for them to set the focus of the interview, clarify any ambiguous answers and improve their own understanding. This method of data collection was appropriate because it created an environment where the stakeholders participated harmoniously in a simple way. The face-to-face interviews gave the interviewer the opportunity to observe non-verbal behavior which would otherwise not be possible in an online survey for example (Scheibelhofer, 2008).

The basic open-ended and clarifying interview questions listed below were used as the research instrument for collecting information from the identified key stakeholders during scheduled interview sessions to answer the first sub-problem defined in section 1.3.1 above.

1. What is the qualifying criteria for entry into SLOW XS Lounge?
2. How will the SLOW XS Lounge Access be sold to Kulula Passengers?
3. What is the value proposition for the SLOW XS Lounge (Kulula) concept? How will the service offering by the SLOW XS lounge differ from the existing SLOW lounges? In other words, what will the SLOW XS service offer include and what will it exclude?
4. What is the anticipated price range of SLOW XS lounge access ancillary product and explain why?
5. What is the marketing strategy for the SLOW XS Lounge?
6. How will the SLOW XS Lounge be differentiated from the SLOW lounge brand without diluting the brand?
7. What are the expected market share, estimated revenue projection and return on investment expected for this initiative?
8. What is the qualifying criteria for eligibility into the SLOW XS lounge? Will the existing qualifiers in terms of the SLOW lounges at the other airports have access to the SLOW XS lounges?

3.2 Quantitative Approach

Creswell (2014) describes a quantitative research technique as one where the data collected can be used to confirm relationships between variables. This quantitative approach was used in this consultancy report and enabled the consultant to derive attributes that influence consumer preferences for a Kulula lounge at the Lanseria International Airport. This research method was selected due to the need to quantify descriptions of consumer options numerically as well as to enable the consultant to statistically analyze the data collected (Wagner & Garner, 2012). The quantitative research was conducted through a conjoint survey which was distributed online to willing participants so as to derive and quantify the number of Kulula passengers who would prefer a SLOW XS (Kulula) lounge over other alternatives available at the Lanseria airport. The comparison was based on the attributes brand name, price, ambiance, food and beverage quality. The quantitative approach was chosen to analyze the market easily using the primary data collected to formulate a market share simulator which could substantiate a conceptual financial model for a SLOW XS lounge at the Lanseria International Airport. The quantitative section of the consultancy report addresses the second research objective which is to evaluate consumer purchase intent and preferences for a Kulula lounge over other available options at the Lanseria International Airport.

This portion of the study was to provide empirical evidence that highlights consumer preferences and establish how to package the SLOW XS product in terms of brand name, price, ambiance, food and beverage quality. A conceptual financial model was therefore developed for this consultancy report, using data analyzed in the Sawtooth conjoint analysis software, to identify the set of attributes and levels that influence consumer choice amongst the alternative options available.

3.2.1 Population

The population for the quantitative research portion of the study consists of Kulula passengers departing out of Lanseria airport. The target population was selected due to their proximity to the possible location of establishing the Kulula SLOW XS lounge and hence the willing participants would, therefore, be knowledgeable (Rowley, 2012) and able to give an indication of their preference for a Kulula lounge versus other available options at the Lanseria airport. Permission was requested from willing participants at the Lanseria International Airport to obtain passenger email addresses to send the online survey link to complete the survey at their own time of convenience.

3.2.2 Research Design

Conjoint analysis was used for the quantitative portion of this study because it is a widely used technique to measure consumer preferences. The Sawtooth software was used to design the conjoint questionnaire which was distributed as an online survey through the qualtrics software. The attributes chosen for a conjoint survey are very important as they must indicate key product characteristics that are valued by consumers. A conjoint survey is ideal for this portion of the study as it is a widely used marketing research technique which can be applied in this research study to understand the effects of various combinations of attributes on consumer purchase intent and preference for passengers in the Lanseria Airport environment (Vishnu & Sigurdsson, 2016).

The process of the conjoint analysis was done according to the steps highlighted by Boesh et al. (2013) in Figure 3 below.

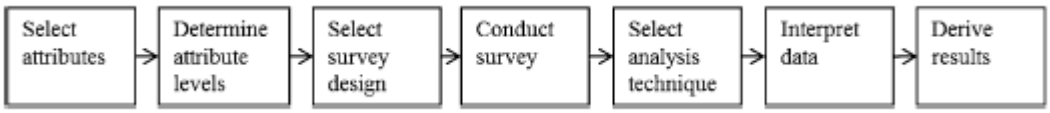


Figure 2: Main steps of a conjoint analysis experiment (Boesch et al., 2013)

I. Firstly, the attributes for the conjoint analysis were selected namely price, brand name, ambiance, food and beverage quality. These attributes were selected based on the researcher's subjective interpretation of factors that drive consumer needs for quality service in the travel industry as highlighted in the literature section.

II. Secondly, the levels for the selected attributes were defined as shown in Table 1 below.

	Attributes			
	Brand Attribute	**Ambience**	**Price**	**Food and Beverage Quality**
Levels	Bidair	Family Friendly lounge	R200	Full Service Buffet Catering
	Slow XS	Office Environment	R250	Healthy Snacks
	Wimpy	Restaurant Style	R150	Cocktail Snacks
	Vida E Caffe		R100	

Table 1: Conjoint attributes and levels

III. After the attributes and levels were determined, hypothetical combinations were developed in the Sawtooth software for analysis (Walisinghe & Gunaratne, 2012). These combinations were then incorporated into a qualtrics online survey to be distributed to passengers divided into three sections as described below. The conjoint questions were administered through the WITS qualtrics software, and the resultant data file imported into Sawtooth software for analysis in the last phase of the conjoint analysis.

IV. The last phase of the conjoint analysis involved estimating the purchase share of passengers who had indicated purchase intent in the online survey. This was done using a market share simulator which takes into account the four attributes brand, price, ambiance, food and beverage quality. This part of the conjoint analysis estimates the overall consumer preference corresponding to every attribute.

The conjoint survey was divided into three sections where the first section consisted of a set of 5 demographic questions, a set of 11 questions regarding consumer intent to purchase and a set of 24 questions concerning consumer preference based on presented options.

The first section was designed with the objective of gathering demographic information of the respondents. The second section was designed with the intention of discovering the consumer's purchase intent for a hypothetical combination of attributes set at varied levels which are also known as stimulus profiles. The passengers were asked 11 questions to establish each person's purchase decision point. The third section of the survey was designed to understand consumer preferences between two options presented to the passengers via a pairwise comparison where they assess two scenarios for an airport lounge.

3.2.3 Sample

A self-selection convenience sample of 100 Kulula travelers out of Lanseria airport located after the check-in and before boarding terminals was selected for participation in the conjoint survey due to the relevance of the information to be gathered within the location at the Lanseria airport environment. Permission was sought from participants and only those who were willing to participate gave their email addresses so that the online conjoint survey could be emailed them for completion at their own convenience. This sample of willing participants was selected for flights spread across different days, departure day and night times, peak or not peak, weekdays or weekends over a two week period in order to collect data in a deliberately randomized format. This was done with the intention of constructing an illustrative sample to rationalize statistical inference (Sandada & Matibiri, 2016).

3.2.4 Sampling Method

The sample was chosen based on the self-selection method. This is a form of convenience sampling which Etikan et al. (2016) describes as a type of nonprobability sampling method where a sample is selected based on convenience parameters such as geographical location, availability at a given point in time, proximity as well as ease of access to participants by the researcher and the willingness of the identified Kulula passengers to participate in the study (Wagner, Kawulich, & Garner, 2012). In other words, participants decide to include themselves in the study or not. It was selected due to the ease at which it can be applied especially given that there are passengers readily available in the area after the check-in before boarding terminals at the Lanseria airport. It is also an inexpensive (Explorable.com, 2009) method to apply.

3.2.5 Data Collection Instrument

This section of the consultancy research project investigated customer preferences for a SLOW XS (Kulula) departure lounge over other alternatives available at the airport based on the ancillary's brand name, price, ambiance, food and beverage quality. An online conjoint questionnaire was used as the primary data collection instrument for the quantitative portion of the study due to the fact that it is one of the methods that are used to a great extent to model consumer preferences (Chakraborty, Ball, Gaeth & Jun, 2002). The online conjoint survey was distributed to willing participants where Kulula passengers used the stated preference method to rank their preferences for alternative market offerings against a proposed SLOW XS lounge.

A questionnaire designed in the Sawtooth software but administered through a qualtrics online survey was used to collect information about the market (Yao & Isa, 2013) and ascertain whether the SLOW XS departure

lounge is differentiated from other service offerings at the airport and appeals to the customer as a value-added service that is worth paying for by asking passengers to rank their preferences for alternative market offerings. A quantitative data collection technique was selected because the data must be measurable (Sandada & Matibiri, 2016) to enable Comair's executive management to understand the market preferences over a Lanseria airport lounge based on statistical analysis. This data collection technique identifies the ideal conditions based on the attributes brand name, price, ambiance, food and beverage quality for passengers to indicate purchase intent (Vishnu & Sigurdsson, 2016).

3.3 Validity

Creswell (2014) describes qualitative validity as when the researcher sets out certain procedures to ensure that the findings are accurate. The internal validity was ensured by triangulation which is when different research techniques are applied using data from collected from different sources which are in this case through the use of interviews and a survey.This included the use of a market simulator which calculated the estimated revenue projections, as well as market share estimations based on the lounge access price set from information, gathered the qualitative internal research portion of the study thereby applying a concerted approach to establish both quantitative and qualitative validity. The research would be deemed valid if the predictions are accurate. In which case it was, since the SLOW XS brand was the most preferred brand and the price of R250 set by the commercial distribution executive manager was selected by enough passengers to generate the most revenue from the conjoint analysis data. Moreover, the simulation of peoples choices for the quantitative section was done with people who are familiar with the brands and are in a position to make a valid choice and likewise for the qualitative section, the interviewees were subject matter experts in the operations of an airport lounge (Potgieter, 2014).

Boesh et al. (2013) describe the external validity of a conjoint analysis to be based on the preference derivation technique, the attributes, and levels applied in the research. In this study market share calculations (Boesch et al., 2013) are based on the number Kulula travelers out of Lanseria airport that would have indicated a likelihood to purchase lounge access to a SLOW XS lounge at a particular price over other available alternatives. The controlled conditions with regards to the context and type of data collected are critical for both internal and external results validation as applied in this study (Boesch et al., 2013). This will allow the researcher to substantiate customer demand for the product and support the consultancy research study for the SLOW XS lounge concept using the data analyzed in the quantitative portion of the study.

3.4 Reliability

Merriam (2014) suggested that reliability could be maximised by replicating the results of this study under different circumstances. This was ensured by carrying out the survey over a period of two weeks, in order to retest over an additional number of days with the aim of obtaining a consistent set of answers on more than one occasion which would make the information reliable (Potgieter, 2014).

In addition, triangulation which is the use of various methods of data collection and analysis which was used in this study further substantiates reliability as well as internal validity (Merriam, 2014).

3.5 Limitations

- The sample size used for the quantitative portion of the study was not big enough to draw meaningful conclusions. This was due to the limited time interval allocated for data collection which did not allow for sufficient analysis of the market over time. As a consequence, the results discussed in this consultancy report are a reflection of the small sample of willing participants and not a representation of the entire population of Kulula passengers and also excludes market segmentation.
- Due to the fact that the time interval of the research was limited, it is not possible to determine the likelihood of the consumer preference remaining the same over a different season.
- The results of this study cannot guarantee the actual purchase behavior due to the fact that the movement of the purchase share is only indicative and not definite.
- The effect of the technological factors such as mobile or desktop friendly rendering of the survey on the consumers' response was not considered for the quantitative portion of this study, a point which Chen, Hsu and Lin (2010) stated could potentially influence the responses and therefore warrant further exploration.

4. Data Analysis

This chapter presents an analysis of the findings of this research where the primary data collected from the face-to-face interviews with Comair interviewees, the online survey for Kulula passengers and the results of the regression are discussed, analyzed and interpreted.

4.1 Qualitative Data Analysis

4.1.1 Content Analysis

Content analysis was used to analyze responses collected during the face-to-face interviews with the selected participants in order to gather empirical facts or information that supports the consultancy research project. Qualitative content analysis is suitable for this research and was selected due to the fact that it enabled the interviewer to analyze the unstructured text data derived from the verbal responses (Hsieh & Shannon, 2005) from the respondents during the face to face interview sessions. This ultimately provided the interviewer greater understanding of the topic under study through the subjective interpretation (Seuring & Gold, 2012) of the verbal responses. All the information obtained during the face-to-face interviews with internal Comair stakeholders was organized subject to the researcher's interpretation, documented, summarized, reviewed and confirmed by the key Comair stakeholders as part of the governance. The following section highlights the findings from the data collected from those interviews.

4.1.2 Qualifying Criteria

SLOW XS is exclusive and access can only be gained by complying with the qualifying criteria. The qualifying criteria include all passengers eligible for the existing SLOW lounges on the basis of being RMB Private Bank and FNB Premier Clients, Platinum and Wealth guests.

The differentiator lies in the fact that Kulula passengers will now be eligible to enter a SLOW XS lounge by purchasing lounge access together with their flight ticket when traveling out of the Lanseria International Airport which is contrary to the current eligibility criteria to the existing SLOW lounges which are restricted to RMB Private, FNB Premier, Platinum and Wealth members as well as British Airways Executive club members only.

SLOW XS lounge access will only be sold to Kulula passengers and passengers traveling on other airlines will not be able to purchase access to the SLOW XS lounge following a decision made by Comair's commercial distribution executive manager and general manager of the SLOW lounges business. This gives the Kulula airline a unique service offering that differentiates it from other airlines operating out of Lanseria. SLOW XS lounge access will only be sold to Kulula passengers departing out of the Lanseria Airport on Comair's direct sales channels namely Kulula.com, Contact Centre and the Lanseria Airport Ticket Office by adding it as an extra to their flight booking. Options that can be considered at a later stage can be selling SLOW XS lounge access through Comair's indirect channels such as other international airlines and travel agents, the direct

channel mobile Kulula App and Kulula holidays which sells holiday packages and 3rd party direct channels like Computicket.

Comair Limited will have to negotiate new commercial agreements with travel agents before they can start selling SLOW XS lounge access as part of the extra services offered to the customers when purchasing their flight tickets.

4.1.3 Commercials

Comair's existing domestic SLOW lounges have been priced between the range of R200 and R250. FNB, RMB credit card holders perceive the value of a SLOW airport lounge to be R250 as it appears as such on their bank statements. The commercial distribution executive manager, therefore, decided to position the SLOW XS lounge at a price of R250 on the assumption that the successful brand value was an important attribute for consumer choice amongst various other alternatives. The other consideration made was that, since the FNB and RMB credit card holders who have access to the existing lounges at the other airports may also travel out of Lanseria, the should, therefore, retain the perceived value of the SLOW brand, by seeing the same value of R250 on their credit card statements.

The Ancillary Revenue Manager assumed that 3% of the Kulula passengers traveling out of the Lanseria airport would buy lounge access to the SLOW XS lounge based on the percentage of customers who normally add extras such as extra bags and insurance to their flight booking. Another assumption that was made was that it costs R1 500 000 to set up a restaurant type of lounge at the Lanseria International Airport. Therefore, taking into account this assumption, the estimated revenue out of the SLOW XS lounge at Lanseria came to R5 179 200 per year with an ROI of 115.08% based on the calculations shown in Figure 4 below.

Q7. What is the expected market share, revenue projections and return on investment expected for this initiative?

Departing Station	# of Flights/week	Passenger Load/flight	Total # of passengers/week	Number of weeks/year	Total number of passengers	Lounge Access % UP Take	Estimated Lounge Access Customers	Lounge Access Price	Estimated Revenue Amount /year in Rands
Lanseria	83	160	13280	52	690560	3%	20716.8	R250	R 5 179 200

At 3% market share of existing Kulula Passengers

	Unit total	Rate	Rand Total	Y1
Sales Revenue			R 5 179 200	R 5 179 200
Internal Resources Costs (Hours)	1 133	R 350	R 396 550	R -396 550
Sabre CR Development Costs (Dollars)	$40 000	R 13.05	R 522 000	R -522 000
SLOW XS restaurant style setup				R -1 500 000
Total Profit				**R 2 771 150**

ROI = (Total Revenue – Total Cost) / Total Cost x 100 = 115.08%

Figure 3: Estimated costs and ROI for a SLOW XS lounge

4.1.4 Marketing Strategy

SLOW XS lounge access will be sold to Kulula customers including vitality members, by allowing the passengers to book flights and add lounge access as an ancillary via the website Kulula.com as the primary direct selling channel, airport ticket office and call center to begin with, with a possibility of adding additional selling channels in the foreseeable future. Comair also hopes to be able to use the opportunity created by interruptions which result in flight delays to offer lounge access vouchers to its Kulula passengers.

The general manager of the SLOW lounges stated that the new SLOW XS Lounge will provide a lesser portfolio of services than the established Comair SLOW lounges already existing, by excluding private spaces, washrooms and an Amani Spa facility. The lounge will provide access to a free Wi-Fi connection. The SLOW XS Lounge will also provide information on current affairs packaged in different media including broadcast (streaming up to the minute news courtesy of Thompson Reuters), SLOW magazine or custom publications away from the congested airport terminals.

Although the SLOW XS Lounge will be smaller than the existing SLOW lounges currently serving FNB or RMB credit card holders, as well as British Airways Executive Club members, the quality will be comparable to the existing SLOW lounges, allowing Kulula passengers to enjoy a better quality traveling experience as well as a

more pleasurable journey in a comfortable environment. This was sighted by the marketing manager for the SLOW lounges as a contributing factor into the pricing decision for the SLOW XS lounge at Lanseria. The commercial distribution executive manager at Comair stated that SLOW XS lounge access should be sold at a price of R250 based on the fact that it is the perceived price of the lounges for the existing SLOW lounges brand. This product launch price will also be communicated via Comair's digital platforms.

The SLOW lounge business model is structured such that existing qualifiers for the existing SLOW lounges will still gain entry into the Lanseria SLOW XS lounge whilst creating the opportunity for Kulula passengers to experience exquisite facilities and convenience services. Hence, SLOW XS lounge access is to be sold to Kulula passengers whilst FNB and RMB credit card holders can use their bank cards to gain access to the lounge. However, the specific target segment like small and medium enterprises or business travelers has not been defined.

The Kulula marketing team will send mailers to its existing customer base and also combine this awareness campaign with in-flight announcements for passengers who travel out of the Lanseria International Airport. They also intend on putting a SLOW XS Billboard at the Lanseria International Airport to advertise the SLOW XS lounge.

4.1.5 Comair Internal Processes

The following processes were identified to be critical for a successful launch of a lounge at Lanseria:-

I. The current SLOW Lounge Management System needs to be enhanced in order to facilitate reporting of the revenue generated by the SLOW XS lounges separately from the existing SLOW lounges.
II. Recruitment and training for staff to be employed at the SLOW XS lounge need to be planned for.
III. Sales Reports will be required to track the performance of the SLOW XS lounge.
IV. A refund process will be required to allow passengers to request a refund, in the event that they no longer require access to the lounge, but will only be applicable if the refund request is made prior to check in.
V. Commercial partnership agreements with Discovery and FNB should be finalized before SLOW XS lounge access can be sold to vitality customers via the Kulula.com website.

4.2 Quantitative Data Analysis

The quantitative data were analyzed using conjoint analysis which rationalizes customer preferences by surveying a string of their choices (Guyon & Petiot, 2015) based on varied product attributes. The

quantitative conjoint analysis was done using Sawtooth conjoint analysis software due to its ability to provide purchase likelihood simulations based on a defined set of attributes and alternatives (Boesch, Schwaninger, Weber & Scholz, 2013) and statistical analysis performed to derive the implied value placed on each attribute. It is an appropriate technique to use for the study due to its ease of interpretation (Vishnu & Sigurdsson, 2016) and ability to analyze the impact of different attributes on product choices and consumer preferences in a quick and economical manner.

Out of the 100 responses received, 80 were valid. This was investigated and discovered to be due to a problem with the rendering of the survey on the mobile device where the hospitality options presented to the respondents were not visible, causing some respondents completing the survey via a mobile device to abandon the survey. However, the demographics from the completed responses showed that most Kulula passengers travel alone for business or leisure with an almost even distribution of willing participants from both 48% males and 52% females and 81% of the total sample reported to be working for a company.

Although 40% of the participants of the online survey indicated that they travel mostly for business, an almost equal percentage of 38% highlighted that they travel for leisure whilst 20% travel for both leisure and business. However, this was insufficient information to derive whether the SLOW XS lounge service would appeal more to business travelers or passengers traveling for leisure and the demographic information would provide more value as part of the quantitative section of the study. 49.59% of the respondents stated that they travel alone and only 13.01% stated that they travel with children under 18 years of age. This information is consistent with the fact that the most popular choice in the conjoint survey for an airport lounge was a restaurant style and not the family-oriented setup.

4.2.1 Conjoint Utility Importance

The analysis of what is important in the consumer's view and the utilities were done via regression analysis which works out the weighting that people put on each of the attributes for this consultancy report. Consistency in the way the consumers' weight the attributes then there will be a high correlation between the beta value of the model and the actual scores that they allocate. The higher the correlation coefficient between the model and the actual answers, the more reliable the data, and consequentially the lower the correlation the less reliable the data is.

The average correlation coefficient of the 80 valid respondents was greater than 80% which indicates a large correlation and a good evidence of association and consistent in the way they weighted each of the attributes.

Conjoint Importance			
Brand	Food and Beverage Quality	Ambiance	Price
29.23%	21.02%	18.50%	31.26%

Table 2: Conjoint Utilities – Averaged Importance Score

The aggregate percentage of the importance of the utilities, within each attribute for each conjoint online survey participant, is totaled to 100, for example, the price attribute scores for each of the specified attributes total to 100 as shown in table 2 above 29.23%+21.02%+18.50%+31.26%=100%.

The average utility percentage of each attribute for the 80 respondents is displayed in table 2 above, depicting the fact that price is slightly more important than brand whilst brand and price are more important to consumers that food and beverage quality and ambiance which have negative utility values.

Price			
R100	R150	R200	R250
63.00	17.86	-18.84	-62.02

Table 3: Price conjoint utility values

The relative preference of the consumers for each level of an attribute is centered to 0 shown by the sum of the score of each person for each option, for example, the sum of the utility values for the brand attribute shown in Table 4 below is 0 (29+4.33+0.32-33.65 = 0).

The data analysis results of the price attribute show that the utility values have an inverse relationship with the price shown by the lower price displaying a higher utility and in contrast, the higher price a lower utility value as shown in table 3 above. This is indicative of the market's sensitivity to price.

Brand			
SLOW XS	Bidair	Vida E Caffe	Wimpy
29	4.33	0.32	-33.65

Table 4: Brand conjoint utility values

The analysis of the brand attribute highlighted the SLOW XS brand as the most important brand and Wimpy as the least preferred when compared to the other levels presented, evidenced by its negative utility value shown in Table 4 above.

Food and Beverage Quality		
Full-service buffet and bar	Healthy snacks, wine, and malt	Cocktail snacks and soft drinks
8.34	2.87	-11.21

Table 5: Food and Beverage Quality conjoint utility values

The analysis of the levels of the food and beverage quality attribute shows that a full-service buffet and bar is the most preferred level whilst cocktail snacks and soft drinks are the least preferred option when compared to the other levels presented as demonstrated by its negative utility value displayed in Table 5 above.

Ambiance		
Restaurant Style	Office environment	Family-friendly lounge
5.33	-5.91	0.58

Table 6: Ambiance conjoint utility values

Table 6 above displays the results of the analysis of the ambiance attribute which show the restaurant style as the most preferred option and the office environment as the least of the available levels presented.

4.2.2 Consumer Purchase intent

The second section of the conjoint survey had 11 questions designed to establish each person's purchase intent where the utility value of each respondent was calculated and the probability of purchase ascertained. A decision curve was drawn for each respondent where the decision point could be viewed in a decision curve demonstrating how willing a respondent is willing to spend based on whether they have a relatively low or high utility. The curve shows that a respondent with a utility value of zero will not buy and a utility value of 100 indicates that they will buy. The blue line is the decision curve which is the result of the logistic regression showing the probability of purchase after the being fitted to the decision data. Figure 5 below where the consumer reaches a quick decision point on reaching a utility value of 60.

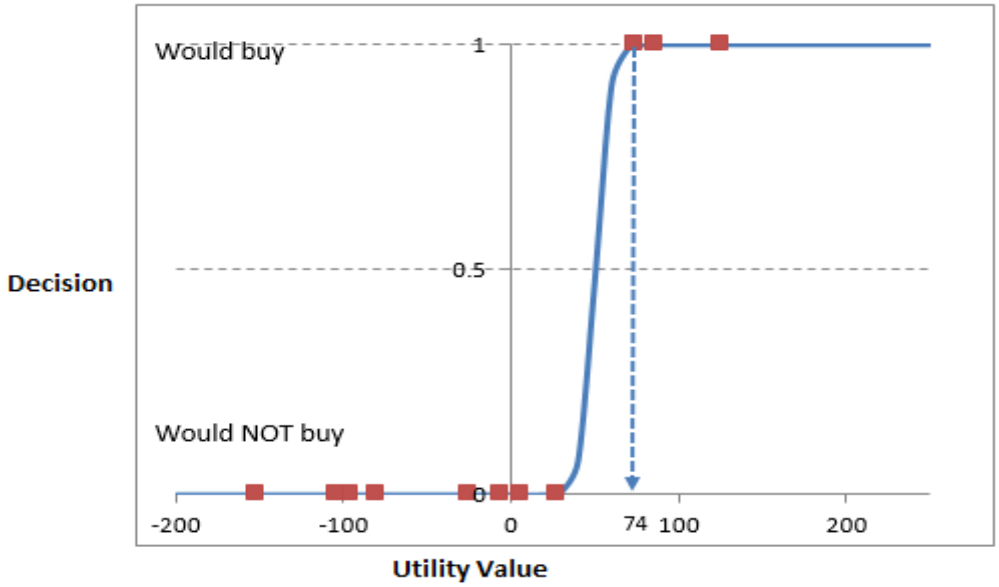


Figure 4: Quick Decision Curve

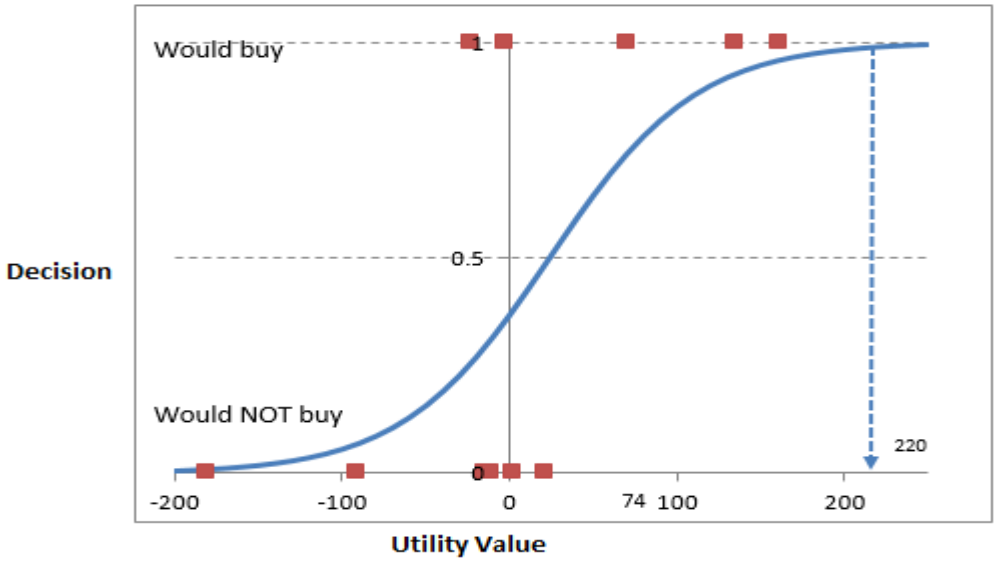


Figure 5: SLOW Decision Curve

Figure 6 shows that the consumer has a less rapid decision point, and is not clear about which option to choose and therefore reaches a very high utility value of 220 before choosing to purchase.

4.2.3 Market share simulation

A market simulator was then used from the 73 out of the original 80 responses did not have a null value in the net utility score column, showing the intention to purchase. The market simulator totals the responses where the consumers indicate purchase intent that is based on the product with the highest utility. It, therefore, derives the purchase share by dividing the consumers with an indicative purchase intent which is the sum of the probability of purchase, by the count of consumers. This method allows for the creation of scenarios which can be used to project market share for a particular combination of product attributes.

The levels of the attributes that had the highest utility values namely brand = SLOW XS, price = R100, ambiance= restaurant style, food and beverage quality = full-service buffet and bar were selected in the market simulator in order to derive the purchase share.

Market share similator	
Options	
Brand	Slow XS
Food&Bev	Full service buffet and bar
Ambiance	Restaurant style
Price per person	R 100.00
Count	73
Purchase intent	55.5
Purchase share	76%

Figure 6: Scenario 1 - A SLOW XS lounge with a full-service buffet and bar in a restaurant-style setup at R100 per person

The data analysis showed that 76% responses out of the 73 responses with a high net utility score had indicated a purchase intent for the service depicted in that scenario displayed in Figure 7 above. The expected revenue would be 0.76 *73*R100 = R5 548.

Market share similator	
Options	
Brand	Slow XS
Food&Bev	Full service buffet and bar
Ambiance	Restaurant style
Price per person	R 150.00
Count	73
Purchase intent	49.1
Purchase share	67%

Figure 7: Scenario 2 - A SLOW XS lounge with a full-service buffet and bar in a restaurant-style setup at R150 per person

67% responses out of the 73 responses with a high net utility score had indicated a purchase intent for the service depicted in that scenario displayed in Figure 8 above. The expected revenue would be 0.67*73*R150 = R7 337.

Market share similator	
Options	
Brand	Slow XS
Food&Bev	Full service buffet and bar
Ambiance	Restaurant style
Price per person	R 200.00
Count	73
Purchase intent	39.3
Purchase share	54%

Figure 8: Scenario 3 - A SLOW XS lounge with a full-service buffet and bar in a restaurant-style setup at R200 per person

54% of the 73 responses with a high net utility score indicated a purchase intent for the service depicted in that scenario displayed in Figure 9 above. The expected revenue would be 0.54*73*R200 = R7 884.

Market share similator	
Options	
Brand	Slow XS
Food&Bev	Full service buffet and bar
Ambiance	Restaurant style
Price per person	R 250.00
Count	73
Purchase intent	31.8
Purchase share	44%

Figure 9: Scenario 4 - A SLOW XS lounge with a full-service buffet and bar in a restaurant-style setup at R250 per person

The data analysis showed that 44% of the 73 responses with a high net utility score had indicated a purchase intent for the service depicted in that scenario displayed in Figure 10 above.

The expected revenue would be 0.44 *73*R250 = R8 030

Market share similator	
Options	
Brand	Slow XS
Food&Bev	Healthy snacks, wine and malt
Ambiance	Restaurant style
Price per person	R 250.00
Count	73
Purchase intent	27.9
Purchase share	38%

Figure 10: Scenario 5 - A SLOW XS lounge with healthy snacks, wine and malt in a restaurant-style setup at R250 per person

The data analysis showed that 38% of the 73 responses with a high net utility score had indicated a purchase intent for the service depicted in that scenario displayed in Figure 11 above. Scenario 5 shows that Comair can choose not to run a full-service buffet and bar for the SLOW XS lounge to generate revenue, and instead choose to serve healthy snacks, wine and malt for. The expected revenue for Scenario 5 would be 0.38 *73*R250 = R6 935. This, however, would result in a 6% drop in purchase share from 44% to 38% but may be sufficient to offset the costs of running a full-service bar.

Brand	Price	Food and Beverage	Ambiance	Purchase Share	Revenue
SLOW XS	R100	Full Service and Bar	Restaurant Style	76%	R5 548
SLOW XS	R150	Full Service and Bar	Restaurant Style	67%	R7 337
SLOW XS	R200	Full Service and Bar	Restaurant Style	54%	R7 884
SLOW XS	R250	Full Service and Bar	Restaurant Style	44%	R8 030
SLOW XS	R250	Healthy snacks, wine and malt	Restaurant Style	38%	R6 935

Table 7: Purchase Share and Revenue Projections per Price table

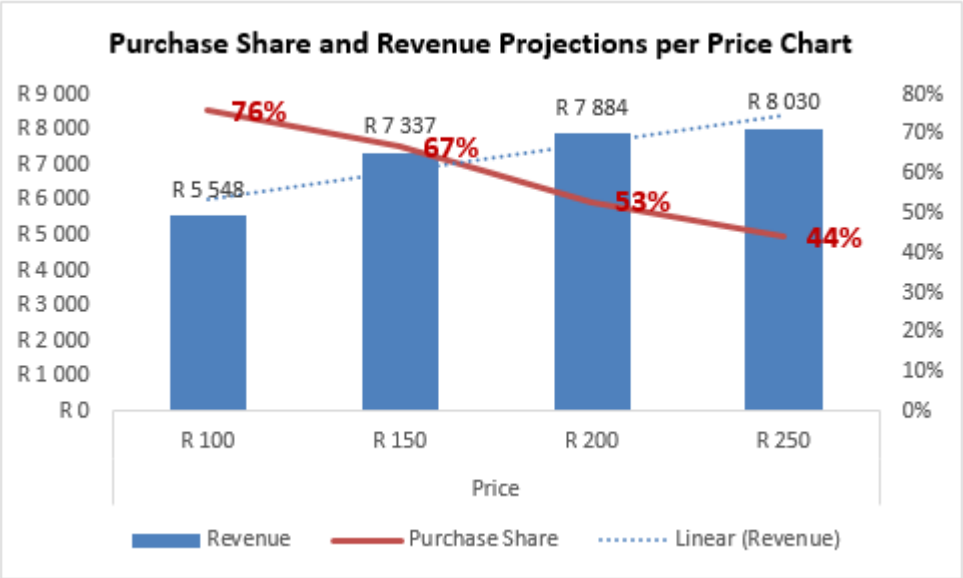


Figure 11: Purchase Share and Revenue Projections per Price Chart

Figure 12 above shows that market share is sensitive to price due to the fact that purchase share decreases with the increase in price for a SLOW XS lounge pass. However, the total projected revenue at the higher prices is greater than that generated at the lower prices. This means Comair can still price the SLOW XS lounge around the same perceived price for a SLOW lounge which is R250 since it stands to generate more revenue from the sample of customers who are willing to pay that price than if they lower the price to increase the purchase share. The success of the SLOW brand had made the brand is stronger than its competitors and hence the expansion strategy is likely to succeed. The empirical evidence gathered from the conjoint survey supports the R250 pricing decision for the SLOW XS lounge by the commercial distribution executive manager at Comair.

5. Recommendations

1) Since the time period was limited to just the two-week interval, the consultant recommends extending the data collection period in order to gather information from a sample of at least 1000 Kulula passengers in order to draw meaningful conclusions.

2) Another recommendation to improve the results of the quantitative study is to carry out further studies which include demographic profiles in the conjoint market share simulator in order to understand exactly who the people indicating the intention to purchase are with regards to the market segment. The extension in time will also allow the consultant to assess if any of the consumers who indicate an intention to purchase actually purchase after a targeted in a marketing campaign for launching the SLOW XS lounge. This can be achieved through running a social media poll where incentives like free flights are offered to participants of the online survey who indicate an intention to purchase and actually fulfill a number of purchases.

3) A recommendation to improve the qualitative analysis for the Comair internal stakeholders is to use actual setup costs for the different type of lounge environments using the levels specified under the ambiance attribute and the food and beverage quality attribute levels in order to calculate a reliable ROI based on accurately specified figures. This will ensure that the SLOW XS implementation costs remain within Comair's budget for the initiative.

4) The consultant recommends Comair's business processes department to draw out a project plan for the SLOW XS lounge so that the time taken to implement and complete the processes highlighted in the qualitative data analysis such as recruitment and training for staff to work at the Lanseria airport and the modification of the SLOW lounge management system to cater for revenue reporting of the new SLOW XS lounge, can be determined. Since Comair's internal processes defined in section 4.1.5 are dependencies on the launch of the SLOW XS lounge service at the Lanseria International airport, a proper project schedule should be defined to assist the marketing team in planning for the launch of the new SLOW XS lounge with its various campaigns across Comair's multiple channels such as its social media platforms, Kulula call centre, Kulula.com website and the Lanseria ticket office. Sufficient time should also be factored in for the construction of the new lounge at the Lanseria International Airport.

Furthermore, sales reports must also be in place to track product performance of the SLOW XS lounge from the day of launch, and the refund process for the Kulula passengers to be followed must be communicated to finance, the call center staff and the Lanseria airport ticket office before customers start requesting refunds post-launch.

5) Lastly, from the findings of this consultancy, the consultant proposes that Comair is able to launch a new SLOW XS brand due to its brand power in the airport environment. It also does not need to drop its value of R250 since it can still make more revenue from passengers willing to pay that that price, than if it lowers the price to R100 where it would sell more lounge passes but make less revenue. However, the consultant recommends the Comair marketing team to run a promotional campaign

6. Conclusion

This consultancy report showed that brand and price have greater importance to consumers when compared to ambiance and food and beverage quality. In assessing consumer purchase intent and preference for an airline lounge, the brand is the biggest stimulus. The SLOW XS brand is perceived to be of high value in the airport environment hence the launch at the Lanseria international airport is likely to succeed much like its predecessor SLOW lounge brand. Furthermore, consumers are willing to pay for a quality service such as an airport lounge to enhance their travel experience. This is consistent with the demand by consumers for quality services that improve customer satisfaction as highlighted in the literature.

Regarding Comair's readiness to establish a Kulula lounge at Lanseria International Airport, all the internal processes mentioned in the qualitative data analysis section of this consultancy report should be addressed before SLOW XS lounge can be sold commercially.

7. References

Airlines industry. (2014, May). *MarketLine Industry Profile Airlines in South Africa*. Retrieved from http://0-web.b.ebscohost.com.innopac.wits.ac.za/: http://0-web.b.ebscohost.com.innopac.wits.ac.za/ehost/pdfviewer/pdfviewer?vid=0&sid=48672cca-250d-4ff3-8f10-c83f95b5bdf8%40sessionmgr101

Airlines Industry. (2016, July). *MarketLine Industry Profile Airlines in South Africa*. Retrieved from http://0-web.a.ebscohost.com.innopac.wits.ac.za/: http://0-web.a.ebscohost.com.innopac.wits.ac.za/ehost/pdfviewer/pdfviewer?sid=51b7ba28-bb5b-406f-8aab-959dcd96a596%40sessionmgr4006&vid=0&hid=4204

Berndt, A. D., & Petzer, D. J. (2011). Environmental concern of South: An exploratory study. *African Journal of Business Management, 5*(19), pp. 7899-7910.

Boesch, I., Schwaninger, M., Weber , M., & Scholz, R. W. (2013, June). Enhancing Validity and Reliability Through. *Systemic Practice & Action Research., 26*(3), pp. 217-238.

Bryan, V., & Dastin, J. (2015). *Airlines want charity to begin at home*. Retrieved from Business Day: http://www.bdlive.co.za/world/europe/

Chakraborty, G., Ball, D., Gaeth, G., & Jun, S. (2002). *Journal of Business Research, 55*(3), pp. 237-249.

Chen, Y.-H., Hsu , I.-C., & Lin, C.-C. (2010). Website attributes that increase consumer purchase intention: A conjoint analysis. *Journal of Business Research*, pp. 1007–1014.

Chua, B.-L., Lee, S., Kim, H.-C., & Han, H. (2017, April 3). *Investigating the key drivers of traveler loyalty in the airport lounge setting*. Retrieved from http://www.tandfonline.com: http://www.tandfonline.com/doi/pdf/10.1080/10941

Comair Limited. (2016, September 13). *Comair Limited 2016 Integrated ANNUAL REPORT*. Retrieved from https://www.comair.co.za/: https://www.comair.co.za/Media/Comair/files/2016/Annual-Report-2016.pdf

Comair Limited. (2017, Sep 12). *Annual Results - Comair shows strong Profit Growth in Tough Trading Conditions*. Retrieved from http://www.comair.co.za: http://www.comair.co.za/media-room/media-statements

Couper, M. P., Kennedy, C., Conrad, F. G., & Tourangeau, R. (2011). Designing input fields for non-narrative open-ended responses in web surveys. *Journal of Official Statistics, 27*(1), pp. 65-85.

Creswell, J. W. (2014). *Research design: Qualitative, quantitative, and mixed methods approaches* (4th ed.). Sage publications.

Etikan, I., Musa, S. A., & Alkassim, R. S. (2016, May 1). Comparison of Convenience Sampling and Purposive Sampling. *American Journal of Theoretical and Applied Statistics, 5*(1), pp. 1-4.

Explorable.com. (2009, Sep 16). *Convenience Sampling*. Retrieved July 2, 2017, from explorable.com: https://explorable.com/convenience-sampling

Guyon, H., & Petiot, J.-F. (2015, October 1). New conjoint approaches to scaling brand equity and optimising share of preference prediction. *International Journal of Market Research, 57*(5), pp. 701-725.

Han, S., Yang, I., & Baek, S. (2012, October). *Passengers' perceptions of airline lounges: Importance of attributes that determine usage and service quality measurement*. Retrieved from ReserachGate: https://www.researchgate.net/publication/257087284_Passengers%27_perceptions_of_airline_lounges_Importance_of_attributes_that_determine_usage_and_service_quality_measurement

Hao, E. (2014, May 9). *Ancillary Revenues in the Airline Industry: Impacts*. Retrieved from Massachusetts Institute of Technology: https://dspace.mit.edu/bitstream/handle/1721.1/89854/890140266-MIT.pdf?sequence=2

Henama, U. S., Acha-Anyi, P. N., & Sifolo, P. P. (2016, July 17). *The Low Cost Carrier Bandwagon: Lessons for Skywise*. Retrieved from ResearchGate: https://www.researchgate.net/publication/305380893_The_Low_Cost_Carrier_Bandwagon_Lessons_for_Skywise_Airline

Hsieh , H.-F., & Shannon, S. E. (2005, November 1). *Qualitative Health Research: Three Approaches to Qualitative Content Analysis*. Retrieved from SAGE Journals: http://journals.sagepub.com/doi/abs/10.1177/1049732305276687

Ireland, T. T. (2011, May 20). *Air Lounge Lovers*. Retrieved from Travel Trade Gazette UK & Ireland: 2011

Jochen, W. (2015, March 11). *Flying High in A Competitive Industry: Secrets of the World's Leading Airline*. Retrieved from https://www.researchgate.net: https://www.researchgate.net/publication/273381427_Flying_High_in_A_Competitive_Industry_Secrets_of_the_World%27s_Leading_Airline

Johnson, J., Whittington, R., Scholes, K., Angwin, D., & Regner, P. (2014). Exploring Strategy. In J. Johnson, R. Whittington, K. Scholes, D. Angwin, & P. Regner, *Exploring Strategy* (p. 194). Pearson Education Limited.

Kalaiarasan, K., Appannan, S., & Doraisamy, B. (2015). A study on service quality on customer satisfaction in low cost airline industries. *International Journal of Science, Environment*, pp. 1126 – 1138.

Kaplan, R. S. (2005). *STRATEGY & LEADERSHIP, 33*(3), pp. 41 - 46. Retrieved from https://managementmodellensite.nl/webcontent/uploads/How-the-balanced-scorecard-complements-the-McKinsey-7-S-model.pdf

Knox, S., & Burkard, W. (2009). Qualitative research interviews. *Psychology Research, 19*(4-5), pp. 566-575.

Lee, K. C., Choi, H. J., Lee, D. H., & Kang, S. (2005, July). Quantitative measurement of quality attribute preferences using conjoint analysis. *International Workshop on Design, Specification, and Verification of Interactive Systems*, pp. 213-224.

Luke, R., & Walters, J. (2013). Overview of the developments in the domestic airline industry in South Africa since market deregulation. *Journal of Transport and Supply Chain Management, 7*(1), pp. 149.

Merriam, S. B. (2014). *Qualitative research: A guide to design and implementation* (3rd ed.). New Jersey: John Wiley & Sons.

Mnakri , M. (2014, May 23). *https://www.itu.int/en/ITU-D/Initiatives/m-Powering/Documents/Presentation%20of%20the%20WG%20on%20Business%20Models.pdf*. Retrieved from https://www.itu.int: https://www.itu.int/en/ITU-D/Initiatives/m-Powering/Documents/Presentation%20of%20the%20WG%20on%20Business%20Models.pdf

Muli, M. (2012, September). *An analysis of the impact of industry role players on the competitiveness and profitability of an entity in a volatile environment*. Retrieved from http://uir.unisa.ac.za: http://uir.unisa.ac.za/bitstream/handle/10500/10192/dissertation_muli_mgs.pdf?sequence=1

Nenad, D., Salai, S., Kovac-Znidersic, R., Djokic, I., & Tomic, G. (2013). The Use of Conjoint and Cluster Analysis For Preference-Based Market. *Engineering Economics, 24*(4), pp. 343 - 355.

Netzer, O., Toubia, O., Bradlow, E., Dahan, E., Evgeniou, T., Feinberg, F., . . . Rao, V. (2008, July 30). Beyond conjoint analysis: Advances in preference measurement. *Marketing Letters, 19*(3/4), pp. 337–354. Retrieved from http://0-web.a.ebscohost.com.innopac.wits.ac.za: http://0-

web.a.ebscohost.com.innopac.wits.ac.za/ehost/pdfviewer/pdfviewer?sid=dea7dfb3-07fa-48a0-b02d-a1da8c19edfa%40sessionmgr4009&vid=0&hid=420

Neuman, W. L., & Robson, K. (2014). *Basics of social research.* Pearson Canada.

Orme, B. (2010). Interpreting the results of Conjoint Analysis. *Getting Started with Conjoint Analysis: Strategies for Product Design and Pricing Research, 2*, pp. 77 - 88. Retrieved from https://www.sawtoothsoftware.com: https://www.sawtoothsoftware.com/download/techpap/interpca.pdf

Orme, B., & Huber, J. (2000, Dec 1). *Improving the value of Conjoint Simulations*. Retrieved from http://0-web.a.ebscohost.com.innopac.wits.ac.za/ehost/pdfviewer/pdfviewer?vid=0&sid=4d589652-fdc8-4445-86fb-f068ee3f2f4e%40sessionmgr4009

Pakdil, F., & Aydm, O. (2014, Sep 2). *Expectations and perceptions in airline services*. Retrieved from https://www.researchgate.net: https://www.researchgate.net/publication/240167858_Expectations_and_perceptions_in_airline_services_An_analysis_using_weighted_SERVQUAL_scores

Panyane, M. (2017, Aug 16). *Slow XS Lounge to improve the Lanseria experience*. Retrieved from IOL Travel: https://www.iol.co.za/travel/slow-xs-lounge-to-improve-the-lanseria-experience-10815920

Potgieter, D. (2014, Sep). *An analysis of a selected aviation company's competitive environment in South Africa*. Retrieved from http://dspace.nwu.ac.za: http://dspace.nwu.ac.za/bitstream/handle/10394/13407/Potgieter_D.pdf;sequence=1

Rowley, J. (2012, March). Conducting research interviews. *Management Research Review, 35*(3/4), pp. 260-271.

SAcsi. (2016, January 14). *kulula scores the highest among South African domestic airlines in the South African Customer Satisfaction Index (SAcsi), for the second year in a row*. Retrieved from http://www.comair.co.za: http://www.comair.co.za/kulula-scores-the-highest-among-south-african-domestic-airlines-in-the-south-african-customer-satisfaction-index-sacsi-for-the-second-year-in-a-row

Sandada, M., & Matibiri, B. (2016, April 1). An investigation into the impact of service quality , frequent flier programs and safety perception on satisfaction and customer loyalty in the airline industry in

southern africa. *South East European Journal of Economics and Business, 11*(1), pp. 41-53. Retrieved from http://0-web.a.ebscohost.com.innopac.wits.ac.za/: http://0-web.a.ebscohost.com.innopac.wits.ac.za/ehost/pdfviewer/pdfviewer?sid=deecd1df-a50f-420e-b892-f58a2da4a9c6%40sessionmgr4007&vid=0&hid=4112

Saunders, M., Lewis, P., & Thornhill, A. (2012). *Non-Probability Sampling* (6th ed.). Pearson Education Limited. Retrieved from Research Methodology: http://research-methodology.net/sampling-in-primary-data-collection/non-probability-sampling/

Scheibelhofer, E. (2008, December). Combining Narration-Based Interviews with Topical Interview : Methodological Reflections on Research Practices. *Internation Journal of Social Research Methodology, 11*(5), pp. 403–416.

Seuring, S., & Gold, S. (2012). Conducting content analysis-analysis based literature reviews in supply chain management. *Supply Chain Management: An International Journal, 17*(5), pp. 544-555.

Simister, P. (2011). *Differentiate Your Business*. Retrieved April 20, 2018, from Strategic Planning Models: http://www.differentiateyourbusiness.co.uk/strategic-planning-models

Suhartanto, D., & Noor, A. A. (2012, May). *Customer Satisfaction in the Airline Industry: The Role of Service Quality and Price*. Retrieved from https://www.academia.edu/3215480/Customer_Satisfaction_in_the_Airline_Industry_The_Role_of_Service_Quality_and_Price

Symon, G., & Cassell, C. (2012). *Qualitative organizational research* (1 ed.). Los Angeles: Sage Publications.

Tharollo Consulting. (2016). *Enterprise Delivery Framework, Implementation and Rollout, Comair Limited.*

The Economist. (2013, May 26). *Legacy vs low-cost carriers: Spot the difference*. Retrieved from The Economist: https://www.economist.com/blogs/gulliver/2013/03/legacy-vs-low-cost-carriers

Vishnu, M. R., & Sigurdsson, V. (2016, June 1). Conjoint Analysis for Social Media Marketing Experimentation: Choice,Utility Estimates and Preference Ranking. *Managerial & Decision Economics, 37*(4/5), pp. 345–359.

Wagner, C., Kawulich, B., & Garner, B. (2012). *Doing social research: A global context.* McGraw-Hill Higher Education.

Wagner, K., & Garner, M. (2012). *Doing social research: A global context.* McGraw-Hill Higher Education.

Walisinghe , B. R., & Gunaratne, L. H. (2012, August 28). *https://www.researchgate.net*. Retrieved from Consumer Preferences for Quality Attributes of Rice: A Conjoint Analysis: https://www.researchgate.net/publication/264853930_Consumer_Preferences_for_Quality_Attributes_of_Rice_A_Conjoint_Analysis

Walsh, B., & Khan, A. (2016, May). *Perspectives trends airport lounges*. Retrieved from hospitalitydesign.com: http://passthrough.fw-notify.net/download/638418/http://0-content.ebscohost.com.innopac.wits.ac.za/ContentServer.asp?T=P&P=AN&K=114887522&S=R&D=bth&EbscoContent=dGJyMMvl7ESep7I4v

Yao, P. X., & Isa, S. M. (2013, August). Investigating the preference for green packaging in consumer product choices: A choice-based conjoint approach. *Business Management Dynamics, 3*(2), pp. 84-96.

8. Appendix A

Conjoint Survey Data Collection Instrument

SECTION 1 - DEMOGRAPHIC INFORMATION

Q1 Please indicate your gender

- Male
- Female

Q2 Please select your age range

- Under 18 years
- 18 to 24 years
- 25- to 34 years
- 35 to 44 years
- 45 to 54 years
- 55 to 64 years
- Age 65 or older

Q3 Please indicate your type of employment

- Self-employed
- Employed by a company
- Other

Q4 Who do you most frequently fly with?

- Alone
- Family member over 18 years of age
- Children under 18 years of age
- Colleagues
- Other

Q5 What is the reason you most frequently fly for?

- Leisure
- Business
- Leisure and Business
- Other

SECTION 2 - CONSUMER PURCHASE INTENT

Q1 Would you be prepared to pay R100 at a Wimpy that serves healthy snacks, wine, and malt in a restaurant-style setting?

- Yes
- No

Q2 Would you be prepared to pay R250 at a SLOW XS airport lounge that serves healthy snacks, wine, and malt in a business environment?

- Yes
- No

Q3 Would you be prepared to pay R100 at a Bidair airport lounge that serves cocktail snacks and soft drinks in a family-friendly lounge setting?

- Yes
- No

Q4 Would you be prepared to pay R100 at a Vida E Caffe that offers a full-service buffet and bar in a business environment?

- Yes

- No

Q5 Would you be prepared to pay R200 at a Bidair airport lounge that serves healthy snacks, wine, and malt in a business environment?

- Yes
- No

Q6 Would you be prepared to pay R200 at a Bidair airport lounge that serves healthy snacks, wine, and malt in a business environment?

- Yes
- No

Q7 Would you be prepared to pay R150 at a Bidair airport lounge that offers a full-service buffet and bar in a restaurant-style setting?

- Yes
- No

Q8 Would you be prepared to pay R200 at a SLOW XS airport lounge that offers a full-service buffet and bar in a restaurant-style setting?

- Yes
- No

Q9 Would you be prepared to pay R150 at a Wimpy that serves cocktail snacks and soft drinks in a business environment?

- Yes
- No

Q10 Would you be prepared to pay R150 at a Vida E Caffe that serves healthy snacks, wine, and malt in a family-friendly lounge?

- Yes
- No

Q11 Would you be prepared to pay R150 at a Vida E Caffe that serves healthy snacks, wine, and malt in a family-friendly lounge?

- Yes
- No

SECTION 3 - CONSUMER PREFERENCES

Q1 Please indicate your preference between the following two hospitality options:

Paying R200 at a Vida E Caffe that serves healthy snacks, wine and malt in a restaurant style setting	OR	Paying R150 at a Wimpy that serves cocktail snacks and soft drinks in a family friendly lounge?

Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q2 Please indicate your preference between the following two hospitality options:

Paying R250 at a Wimpy that offers a full service buffet and bar in a business environment	OR	Paying R100 at a Vida E Caffe that serves cocktail snacks and soft drinks in a family friendly lounge?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q3 Please indicate your preference between the following two hospitality options:

Paying R100 at a Vida E Caffe that serves healthy snacks, wine and malt in a family friendly lounge	OR	Paying R200 at a Slow XS airport lounge that serves cocktail snacks and soft drinks in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q4 Please indicate your preference between the following two hospitality options:

Paying R200 at a Bidair airport lounge that serves healthy snacks, wine and malt in a family friendly lounge setting	OR	Paying R250 at a Vida E Caffe that serves cocktail snacks and soft drinks in a business environment?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q5 Please indicate your preference between the following two hospitality options:

Paying R200 at a Wimpy that serves healthy snacks, wine and malt in a family friendly lounge setting	OR	Paying R150 at a Bidair airport lounge that offers a full service buffet and bar in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q6 Please indicate your preference between the following two hospitality options:

Paying R200 at a Bidair airport lounge that serves cocktail snacks and soft drinks in a family friendly lounge setting	OR	Paying R250 at a Slow XS airport lounge that offers a full service buffet and bar in a business environment?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q7 Please indicate your preference between the following two hospitality options:

Paying R100 at a Slow XS airport lounge that serves healthy snacks, wine and malt in a restaurant style setting	OR	Paying R150 at a Bidair airport lounge that serves cocktail snacks and soft drinks in a family friendly lounge setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q8 Please indicate your preference between the following two hospitality options:

Paying R150 at a Wimpy that offers a full service buffet and bar in a family friendly lounge setting	OR	Paying R250 at a Bidair airport lounge that serves healthy snacks, wine and malt in a business environment?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q9 Please indicate your preference between the following two hospitality options:

Paying R100 at a Bidair airport lounge that offers a full service buffet and bar in a restaurant style setting	OR	Paying R200 at a Slow XS airport lounge that serves healthy snacks, wine and malt in a business environment?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q10 Please indicate your preference between the following two hospitality options:

Paying R200 at a Bidair airport lounge that offers a full service buffet and bar in a business environment	OR	Paying R150 at a Vida E Caffe that serves healthy snacks, wine and malt in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q11 Please indicate your preference between the following two hospitality options:

Paying R100 at a Wimpy that that serves healthy snacks, wine and malt in a business environment	OR	Paying R200 at a Vida E Caffe that offers a full service buffet and bar in a family friendly lounge setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q12 Please indicate your preference between the following two hospitality options:

Paying R200 at a Slow XS airport lounge that that serves cocktail snacks and soft drinks in a business environment	OR	Paying R250 at a Wimpy that serves healthy snacks, wine and malt in a family friendly lounge setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q13 Please indicate your preference between the following two hospitality options:

Paying R150 at a Slow XS airport lounge that offers a full service buffet and bar in a business environment	OR	Paying R250 at a Wimpy that serves cocktail snacks and soft drinks in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q14 Please indicate your preference between the following two hospitality options:

Paying R150 at a Wimpy that serves cocktail snacks and soft drinks in a restaurant style setting	OR	Paying R100 at a Vida E Caffe that offers a full service buffet and bar in a family friendly lounge setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q15 Please indicate your preference between the following two hospitality options:

Paying R150 at a Vida E Caffe that that offers a full service buffet and bar in a restaurant style setting	OR	Paying R100 at a Slow XS airport lounge that serves cocktail snacks and soft drinks in a family friendly lounge setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q16 Please indicate your preference between the following two hospitality options:

Paying R250 at a Bidair airport lounge that serves healthy snacks, wine and malt in a business environment	OR	Paying R200 at a Wimpy that offers a full service buffet and bar in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q17 Please indicate your preference between the following two hospitality options:

Paying R100 at a Wimpy that serves cocktail snacks and soft drinks in a business environment	OR	Paying R150 at a Slow XS airport lounge that serves healthy snacks, wine and malt in a family friendly lounge?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q18 Please indicate your preference between the following two hospitality options:

Paying R250 at a Slow XS airport lounge that serves cocktail snacks and soft drinks in a family friendly lounge setting	OR	Paying R100 at a Bidair airport lounge that offers a full service buffet and bar in a business environment?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q19 Please indicate your preference between the following two hospitality options:

Paying R250 at a Vida E Caffe that offers a full service buffet and bar in a family friendly lounge setting	OR	Paying R150 at a Bidair airport lounge that serves healthy snacks, wine and malt in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q20 Please indicate your preference between the following two hospitality options:

Paying R100 at a Slow XS airport lounge that serves cocktail snacks and soft drinks in a restaurant style	OR	Paying R200 at a Wimpy that offers a full service buffet and bar in a business environment?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q21 Please indicate your preference between the following two hospitality options:

Paying R250 at a Bidair airport lounge that serves cocktail snacks and soft drinks in a restaurant style setting	OR	Paying R100 at a Wimpy that serves healthy snacks, wine and malt in a business environment?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q22 Please indicate your preference between the following two hospitality options:

Paying R150 at a Vida E Caffe that serves healthy snacks, wine and malt in a business environment	OR	Paying R100 at a Slow XS airport lounge that offers a full service buffet and bar in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q23 Please indicate your preference between the following two hospitality options:

Paying R150 at a Vida E Caffe that serves cocktail snacks and soft drinks in a business environment	OR	Paying R250 at a Bidair airport lounge that serves healthy snacks, wine and malt in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right

Q24 Please indicate your preference between the following two hospitality options:

Paying R250 at a Slow XS airport lounge that offers a full service buffet and bar in a family friendly lounge setting	OR	Would you prefer paying R200 at a Vida E Caffe that serves cocktail snacks and soft drinks in a restaurant style setting?

o Strongly Prefer Left o Somewhat Prefer Left o Indifferent o Somewhat Prefer Right o Strongly Prefer Right