



INTERNATIONAL PASSENGER PERCEPTION ON AIRPORT BRANDING STRATEGY: EVIDENCE FROM MALAYSIA

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ABSTRACT

This study aimed at analyzing international passenger perceptions of Kuala Lumpur International Airport (KLIA) branding strategies. We used a self-administrated questionnaire distributed to 212 international passengers at KLIA. The structured questionnaire consists of two parts: i) respondent demographic profiles, and (ii) perceptions on branding strategies. The first part collected data on gender, age and marital status, frequency of departure or arrival at KLIA, and the purpose of visiting Malaysia. The second part covered branding perception as measured by seven factors such as choice of food and beverage outlets (CFBO), selection of retail outlets (SRO), retail pricing (RP), layout and design (LD), services and entertainment (SE), service staff (SS), and logos, slogans and wordmarks (LSW) at KLIA. For this research, the Smart Partial Least Square Version 3 was used for data analysis. The findings reveal that choice of food and beverage outlets, layout and design, selection of retail outlets, retail pricing, service staff are found to

be significant in the branding perception of KLIA. These findings lend support to the argument on the branding perception of the airport and offer several policy implications from a literature and practical point of view with regard to KLIA branding.

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1. INTRODUCTION

Transportation is closely linked with tourism and it is an essential parameter for the economy of the country. Tourism industry growth in Malaysia meant that transportation of tourists handled by Kuala Lumpur International Airport (KLIA) becomes more significant. KLIA which opened in 1998, was one of the top airports in the world. Run by Malaysia Airports Holdings Berhad (MAHB), KLIA is the gateway to the capital of Malaysia – Kuala Lumpur. The airport handled 58,554,627 passengers and 710,186 tonnes of cargo in 2017 and was ranked 23rd busiest airport in terms of total passenger traffic. Furthermore, the OAG International Megahubs Index 2018 ranked KLIA 12th in its Top 20 most connected airports worldwide, while for the Asia-Pacific, it is ranked 3rd. The index which grades airports according to the highest ratio of scheduled international connections to the number of destinations served placed Singapore's Changi in 8th place, Jakarta Soekarno-Hatta International in 10th, Hong Kong International in 13th, and Bangkok Suvarnabhumi in 14th place.

The importance of airport branding in attracting tourism to a country is obvious by looking into airport development in other countries; for instance, the new Istanbul Airport which technically began operations in October 2018. However, the “great move,” as it has been called, occurred on April 5, 2019. The layout, design and size of this airport make it one of the world's largest airports. Istanbul New Airport calls itself a “green” airport, thanks to its recycling capabilities and rainwater utilization capacity. The world's best-ranked airport for seven consecutive years by Skytrax, Changi Airport, recently opened its new hub, “Jewel” to the public. The nearly USD\$1.3-billion-dollar project connecting three of the four terminals at Changi Airport aims at increasing the number of passengers coming to Singapore for visits and stopovers. Containing over 280 retail and food/beverage outlets, Jewel Changi Airport could easily be written off as a beautiful

shopping mall filled with dramatic green spaces that just happens to be connected to an airport. After all, it is not an airport terminal because there are no boarding gates or arrival halls, and anyone can visit. There is also the Changi Lounge, designed to complement a new intermodal transfer service that improves air-sea connectivity for cruise passengers. Beyond expected amenities such as free Wi-Fi, Jewel offers a few little nice touches such as power bank loans, free for 12 hours. These examples of airport developments clearly show that improving airport branding may drive up airport revenue and the country's revenue as a whole. In this regard, the results of this study may be submitted to the airport management to improve its branding strategy and consequently generate a wider revenue stream. Proper branding would translate into higher foreign spending in Malaysia, thereby promoting tourism growth. The results of the current study are relevant both for airport managers and scholars interested in the topic, since these branding strategies can help to promote a more diversified portfolio of customers and products/services, thereby attracting new investments and companies, generating employment, and increasing tourist flow to Malaysia as a whole. These outcomes, in turn, will support the academic literature regarding the role of airports in tourism.

This research is inspired by research done by Figueredo and Castro (2019) where the authors attempt to analyze passenger perceptions of Tom Jobim International Airport RIOgaleão branding strategies and their experiences with branding strategies of this airport. The authors carried out the semi-structured interview session with 92 passengers and found that some of the branding elements required further enhancement action. Logos and slogans followed by retail pricing are the main consideration for improvements. Thus, it would be still fascinating research to carry out in the context of Malaysia, since Malaysia Airports Holdings Berhad (MAHB) allocated a huge amount of money for expansion and marketing for enhancing the ranking of Malaysia airports especially KLIA. For example, MAHB had invested RM1 billion, from a third party, to develop KLIA Aeropolis and embark on the Subang Airport regeneration project. Through this allocation, it uses investments from third-party investors as it continues to develop KLIA Aeropolis and the Subang Airport regeneration project. Both these developments would be able to generate over 3,300 new jobs in five years. MAHB had also spent RM150mil from 2018 to 2020 on developing supporting infrastructure

and branding strategies needed for KLIA and Subang Airport (The Star Newspaper, 2018).

Although this paper is inspired by Figueredo and Castro's work, we differentiate our study from existing literature in different dimensions such as (i) we have incorporated slightly larger sample size of 212 respondents ($n = 212$), (ii) our results are based on two major analyses such as from the Partial Least Squares and Importance-Performance Analysis, and finally (iii) offers some policy implications for enhancing KLIA branding strategies. To summarize, we aim at analyzing the impact of KLIA's branding strategies on the passenger experience, recognizing that the airport is an important part of the overall tourist experience. These branding strategies can encourage a more diversified collection of customers and products/services, thus attracting new investments and companies, creating employment, and increasing tourist flow into Malaysia. These results, in turn, will substantiate the academic literature regarding the role of airports in tourism. The paper is organized as follows: the relevant literature on airport branding is discussed, followed by the methodology and discussion of findings on the objective of this study. Finally, the concluding remarks are mentioned.

2. LITERATURE REVIEW

2.1 CONCEPTUAL FRAMEWORK DEVELOPMENT

We used the Theory of Experience in capturing the passenger experience with regard to Airport branding. Experience theory states that people's need for experience and the reaction path toward the usage of experiential elements and the importance of experience itself is an important task and cannot be denied. Hence, personal capacities, and mental needs including moods, goals and expectations are very important criteria to be considered in experience theory. This can be evidenced in the literature but not limited to Dewey (1938), Mehmetoglu and Engen (2011), and Andersson and Andersson (2006). As indicated by the Theory of Experience, involvement interaction, and engagement in its generating process is essential, as highlighted by Pine, Pine, and Gilmore (1999). According to them, the experience is not just a passive response but can be maintained through people's participation which is worth consideration. This context is being considered in the airport branding strategy by trying to engage people more. Hence, this research highlights more insights on branding strategy, and it is guided by the Theory of Experience.

2.1.1 AIRPORT BRANDING PERCEPTIONS AND STRATEGIES

Puls and Lentz (2018) investigated business strategies to improve non-aeronautical revenue from leisure travellers. They found that concessionaires of Zurich and Basel attract an intersecting range of tourist types. However, the concepts of revenue generation differ between aeronautical and non-aeronautical businesses. They interviewed nine executives and senior managers of retail operations at Zurich and Basel airports. The results are then interpreted into meaningful conclusions regarding sustainable business concepts on how to improve revenue from leisure passengers. They found that commercial (business) revenue from leisure travellers is different compared to business travellers or other business types. Another business type requires an additional condition to define profitable retail offerings. They also found that non-aeronautical revenue from passengers constitutes a great portion of European airport income. Therefore, non-aeronautical revenue is imperative for airport economic viability and business operation sustainability.

Han et al. (2014) studied international travellers' decision-making process for airport shopping by considering the moderating impact of perceived disadvantages of airport-shopping behavior. They conducted field surveys using a 7-point Likert scale to measure attitude, positive experience instigator and negative experience instigator at an international airport in Seoul, South Korea. Some 310 survey forms were used for data analysis in their research; they found that overseas airport shoppers who perceived high disadvantages of airport shopping (i.e., time pressure, impulse buying, risk related to products, and inconvenience in an unfamiliar environment) can be a threat to airport operations. They proposed that airport managers actively investigate the possible factors inducing high levels of positive anticipated emotions and subjective norms. Another recommendation was to minimize the disadvantageous/detrimental factors.

Investigation by Gitto and Mancuso (2019) demonstrates how to identify the current positions of airports in customer perception by identifying specific characteristics of the airports and the passengers' preferences using cluster analysis. It was highlighted that managing social media activities by airports is an emerging issue besides the severe lack of the existing empirical literature on measuring brand perception in the airport industry. In their research, Gitto and Mancuso (2019) determined how consumers perceive the importance of brands

for developing an effective marketing strategy. The algorithm was used to look at the online communities around a brand and a topic of interest and to measure similarity among these communities. The algorithm was applied to the social medium Twitter because of its strong popularity and active user base. Gitto and Mancuso (2019) found that the preferences of airports' followers in the same area are more similar to those of other areas. They noted that airport managers are using websites and social media to promote their commercial activities. The methodology discussed in the paper allows managers to monitor their marketing activity results even if the passengers do not post tweets or comments and to also check the positioning of their airport against competitors.

2.1.2 CHOICE OF FOOD AND BEVERAGE OUTLETS

The Moodie Report (2014) showed that in 2010, non-aviation-related activities generated a revenue of US\$35 billion, whereby US\$10 billion were generated by the food and beverage (F&B) sector. Another report by Research and Markets states that the average expenditure on F&B per visit to airport outlets is US\$14. The survey found 27% of the respondents spent between US\$11 to US\$15 per visit on F&B, while 20% of the respondents spent US\$16 to US\$20. The U.S. Census Bureau projected the world population in 2020 to increase to 7.6 billion. Consequently, an increase in F&B consumption in airports is expected as well. It was also noted that total passenger expenditure at airports is expected to increase to US\$18 billion by 2021 according to The Moodie Report (2014). To increase airport service quality, airport managers must adopt strategies with a fair mix of local and regional brands in the F&B sector in order to stay relevant to the industry.

Castillo-Manzano, López-Valpuesta, and Sánchez-Braza (2018) measured the effect of airport mall on passenger consumer behavior. They interviewed a broad database of 37,226 passengers at eight different Spanish airports. The results provide clear, robust empirical proof, significant at 1%, that passengers change their consumer behaviour at bars and stores in malls at hub airports compared to how they would behave at regional airports, where the commercial and F&B offers are more limited. The result strongly supports the strategy of developing large shopping centers at the hubs, which drives a high volume of potential customers and demonstrates a distinct opportunity for maximizing non-aeronautical revenues. The results also show that greater commercial offer of airport malls

increases the likelihood that passengers make a consumption at an F&B establishment by 3.7-4.1% and purchase at an airport store by 1.2-1.3%. The success of these shopping centers represents a significant source of non-aeronautical revenue for hubs that enables them to charge lower airport dues and so attract new connections and new airlines, especially those that, theoretically, are most sensitive to airport charges, such as the low-cost companies. To analyze this variable, the following hypothesis has been developed:

H1: There is a positive significant association between choice of food and beverage and international passenger's branding perception on KLIA.

2.1.3 SELECTION OF RETAIL OUTLETS

An increase in waiting time in departure halls has proven to be a profit-making business for airport retailers. Of late, waiting time has increased because of heightened security control processes and more common flight delays resulting from increased air traffic. It transformed into an opportunity for the right retailers that can entice, occupy and entertain the passengers.

Traditionally, well offered by retailers are usually only goods that were on tax concessions. Now, a good mix of retail products could also bring in extra revenues. Based on Research and Markets (2012), consumers spent more time at duty-free airport retail outlets (23 minutes) compared with duty paid outlets (19 minutes). It was also reported that art and craft, food and non-alcoholic beverage and lastly cards are the most important within the domestic brand category, while consumer electronics, perfumes, cosmetics and personal care and tobacco are significant within the international brand category.

Study of Han, Yu and Kim (2018) investigated traveller's loyalty formation with regard to duty-free shopping at airports by considering the role of perceived value, satisfaction, desire and alternative attractiveness. The survey consisted of multiple measurement items with a 7-point Likert scale to measure perceived value, satisfaction with airport duty-free shopping, and desire to engage in duty-free shopping. It was found that perceived value, satisfaction and desire were the most significant contributors to enhancing traveller loyalty to airport duty-free shopping. Satisfaction and desire were found to maximize the effect of their antecedent on loyalty. Their paper ought to enhance duty-free shopping to achieve a

higher level of traveller loyalty. It was noted that offering more quality shopping experiences to air travellers will lead to an increase in lack of alternative attractiveness that ultimately fortifies the role of desire in boosting the level of loyalty to airport duty-free shopping. The results also imply that enhancing traveller satisfaction with shopping experiences in the duty-free stores of an airport is indispensable for increasing traveller loyalty in a competitive market.

Thus, the following hypothesis is developed to test this variable:

H2: There is a positive significant association between selection of retail outlets and international passenger's branding perception on KLIA.

2.1.4 RETAIL PRICING

Retail pricing strategy in airports is just as relevant as retail pricing in a normal shopping mall context. Phoenix Marketing reported that most air passengers purchasing food, beverage and other retail items felt they were being overcharged at the airport whether or not the airport had a 'street pricing' policy. "At airports that do not have a pricing policy, 89% of travellers felt that they were paying more than they would off-airport", said Michael Taylor of Phoenix Marketing International. "At airports that have publicized 'street pricing policies, 81.5% of passengers felt they were being overcharged". Promoting price advantage over city-center retailers' and adapting offers to passenger profiles are key activities that can optimize airport retailer business, as identified by 74% and 40% of respondents respectively in the research (Cision Report, 2019). To discover how this variable affects branding strategy, the following hypothesis has been constructed:

H3: There is a positive significant association between retail pricing and international passenger's branding perception on KLIA.

2.1.5 LAYOUT AND DESIGN

Airports no longer just need to be functional, but attractive as well to attract passengers. Clarine and Berkhof (2013) found that passengers generally have a clear preference for a wide passenger area with curved hallways, a curvilinear roof, the use of a light-colored material for the floor, shop atmospherics and roof, along with warm and atmospheric lighting. The results emphasize the importance of

architectural design features such as form, layout, and dimension. Culture was also found playing a role in the valuation of design. Evidence exists that cultural differences affect how a colored material is appreciated. For example, Dutch passengers preferred a white to a black passenger area much more than did foreign passengers. Hence an airport has to be both functional and reflective of a country's culture, customs, history and landscape to provide a sense of place to passengers. The hypothesis would be:

H4: There is a positive significant association between layouts and design and international passenger's branding perception on KLIA.

2.1.6 SERVICES AND ENTERTAINMENT

Customer services aimed at increasing the level of customer satisfaction is seen as a differentiating element that generates competitive advantage. Powell (1995) found that service is very important especially for service sector business enterprise growth and development. Srivastava et al. (2015) revealed that though infrequent travellers have high expectations of the airport's customer services, these are often not met. By investing in manpower, training and performance quality control, organizations can ensure that service quality experienced in this segment would be satisfactory enough to exceed customer perceptions, thus resulting in larger revenue and sales gains for a moderate increase in investment and costs. These hub airports also support Yuen et al. (2017) investigation on factors that allow airports (hub) to collect hub premiums. In this investigation, it was proven that service quality, as measured by flight frequency, has a statistically significant positive implication on the hub premium in Hong Kong. To test this variable, the following hypothesis has been developed:

H5: There is a positive significant association between services and entertainment and international passenger's branding perception on KLIA.

2.1.7 SERVICE STAFF

Airport employees are often the people who come into contact with the passengers. Thus, they should reflect the image of the airport (Tse,

2009) and of the tourist destination. Furthermore, Somocor (2017) found that the main drivers of disappointment were responsiveness, empathy and reliability of service staff, in that order. In responsiveness dimension, it was perceived to be the highest gap that service staff or shop attendants did not proactively help the consumer in the purchasing process. On empathy, it is crucial to have more attendants employed at the retail outlets to have adequate training to groom them to be conversant with customers to provide acceptable solutions to their queries and doubts. Therefore, the hypothesis is:

H6: There is a positive significant association between service staff and international passenger's branding perception on KLIA.

2.1.8 LOGOS, SLOGANS AND WORDMARKS

One way of understanding the branding efforts of any organization is to analyze the content and themes of their vision and mission statements. In particular, vision statements paint the future intentions of their companies regarding plans to engage with their main stakeholders. Several differences were identified regarding certain operational and managerial characteristics of airports. For example, "self-concept" was particularly evident in the Asia Pacific region and in Latin America. This was mainly due to airports operating as private corporations. With regard to tourism related vision statements, small and medium-sized airports were identified as inclining toward tourism themes compared to large global hubs. For example, Europe, as one of the most tourism-oriented continents in the world, had proportionally more airports that emphasize tourism themes in their vision statements (Carpenter, Bauer, and Erdogan, 2012). Nonetheless, airports should be more aware of their roles as tourism promoters and facilitators and acknowledge such roles in their vision statements. The hypothesis is:

H7: There is a positive significant association between service staff and international passenger's branding perception on KLIA.

2.1.9 PERCEPTIONS OF AIRPORT BRANDING OF KLIA

Research by Figueiredo and Castro (2019) at RIOgaleão, Brazil airport, found that the management of Tom Jobim Airport in Brazil uses tourist branding techniques with multiple approaches and had the intention to raise the airport to international service standards. In their paper, the survey was divided into three parts. The first contained

statements referring to the branding elements that promote local tourism and affect passenger expectations of airport services. The second consisted of a series of statements directly related to the airport branding strategies. Lastly, the third part consisted of questions eliciting respondent demographic data. Figueiredo and Castro (2019) conclude that airport branding was seen as a differentiation strategy. Branding techniques such as slogans and logos were developed and in turn produce a greater impact on passenger experience, while another technique such as retail pricing strategies requires further attention and new approaches to improve passengers' experience in the terminal.

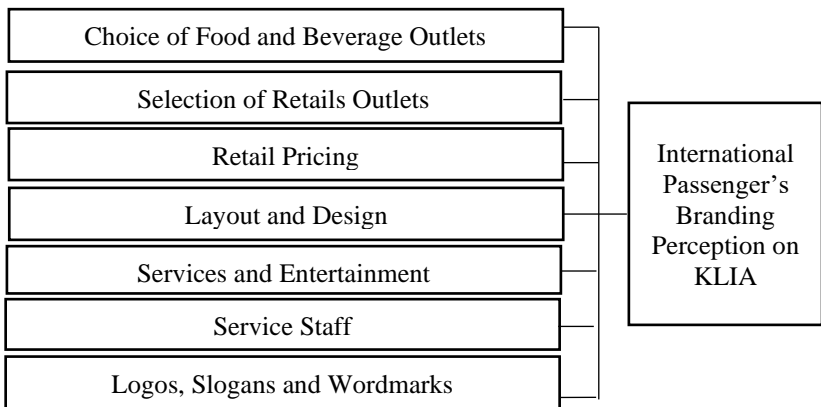
3. METHODOLOGY

The following subsections discuss the methodology of the present research.

3.1 RESEARCH FRAMEWORK

Upon inspection of the literature available, the potential variables were identified and taken into consideration in building a research framework. Figure 1 depicts the model of the framework developed for this research, with the international passenger perceptions of KLIA branding strategy. Seven independent variables were recognized as factors in branding strategies; the variables are Choice of Food and Beverage Outlets (CFBO), Selection of Retails Outlets (SRO), Retail Pricing (RP), Layout and Design (LD), Services and Entertainment (SE), Service Staff (SS), Logos, Slogans and Wordmarks (LSW).

FIGURE 1
Research Framework



3.2 MEASUREMENT

Computation of nominal scale based on Amin's (2008) method was used for the demographic analysis. This nominal scale was employed to obtain a range of values for respondent age and many more. The choice of answers was based on a five-point Likert scale adapted from Bhatti (2007) with ranking from 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), and 5 (strongly agree). With the Likert scale, the respondents selected a choice of responses reflecting their agreement with the statement. Constructs and items were primarily extracted from the literature available.

3.3 DATA COLLECTION AND SAMPLING

This study obtains its data from self-administrated questionnaires distributed among international passengers at KLIA. Convenience sampling method was adopted. Furthermore, a total of 235 international passengers joined this survey but only 212 (90.21%) of their responses were used for results analysis because the remaining questionnaires were incomplete.

The structured questionnaires used in this study consist of two parts;(a) respondent demographic profiles, and (b) perceptions on branding strategies. The first part is interested in respondent gender, age and marital status, the frequency of departure or arrival at KLIA, and the purpose of visiting Malaysia. Branding perception is measured by seven factors as shown in the research framework. A number of samples used in this study is following Hair et al. (2009) on which size of sample lies between 200 to 400 is sufficient to get accurate findings. For this research, Smart Partial Least Square Version 3 has been employed to construct reliable and valid results from the theoretical framework (Thakur, 2014). Partial Least Square (PLS) is gaining popularity in information research science nowadays. In fact, due to its advantages, particularly in matters related to sample size, minimal restrictions on measurement scales and residual distributions (Bock et al. (2005; Chin, Marcolin, and Newsted, 2003), PLS is gaining more popularity among scholars. Measurement of parameters and structural path coefficients are also implemented in the current study.

4. RESULTS

The discussion part is divided into several sections, namely (4.1) demographic profiles, (4.2) assessment of measurement model, (4.3) assessment of the structural model, and (4.4) discussion on findings.

4.1 DEMOGRAPHIC PROFILES

Table 1 summarizes characteristics of respondents involved in this survey. As shown in the table, 55% of the sample were male and 45 % were female. In terms of age distribution, the dominant group was between 20 to 30 years old. This percentage is consistent with prior studies which recommended the vitality of this age group. For instance, Metawa and Almossawi (1998) contended that exploring the perception of people and customers between the age of 20 to 50 would yield more impact on policies. As such, this sample may contribute to a useful picture of the analysis on the branding strategy for KLIA. In terms of marital status, the majority (61%) were married while 29% were single. From the perspective of the frequency of departure or arrival at KLIA, the higher frequency is 1- 3 times followed by 4-10 times. Finally, in terms of the purpose of visiting Malaysia, most of the respondents used KLIA for transit transfer purposes, followed by a holiday, working, and shopping.

TABLE 1
Demographic Profiles

Variables	N	(%)
Gender:		
Male	116	55
Female	96	45
Age:		
20-30 Years	82	39
31-40 Years	41	19
41-50 Years	31	15
> 50 Years	58	27
Marital Status:		
Single	62	29
Married	130	61
Divorced	20	10

TABLE 1 (continued)

Variables	N	(%)
The Frequency of Departure/Arrival at KLIA		
1-3 times	147	69
4-10 times	58	27
Above 10 times	7	4
Purpose of Visiting Malaysia		
Holiday	51	24
Transit Transfer	129	61
Working	23	11
Shopping	9	4

Note: This table shows the information related to respondent profiles in five aspects of gender, age, marital status, the frequency of departure/arrival at KLIA, and the purpose of visit. The number of respondents was 212.

4.2 ASSESSMENT OF MEASUREMENT MODEL

The first step in the analysis of this research is to apply a convergent validity test. In this test, components are critically investigated namely item loadings, average variance extracted (AVE), and composite reliability (CR). Table 2 displays the result of this investigation and reveals that item loadings exceeded 0.6, which fulfilled the value suggested by Hair et al. (2017). The indicator loadings of 0.7, 0.6, 0.5 and 0.4 are adequate if other items have high scores of loadings to complement AVE and CR. Additionally, to address the model fitness issue, some of the items should be excluded to have fewer indicator loading values. Following Hair et al. (2009) the value of the AVE threshold should be higher than 0.5. For this study AVE threshold lies within the range of 0.507- 0.957, thus it is acceptable. Additionally, the value of CR is also supported by the mentioned study due to its value range from 0.731 and 0.803 where the satisfactory value should be between 0.7 and 0.9.

TABLE 2
Results of Measurement Model

Construct	Items	Loadings	AVE	CR
Choice of Food and Beverage Outlets (CFBO)	Q11	0.843	0.597	0.746
Selection of Retails Outlets (SRO)	Q12	0.695		
	Q21	0.957	0.596	0.731
	Q22	0.524		
Retail Pricing (RP)	Q31	0.701	0.647	0.783
	Q33	0.896		

TABLE 2 (continued)

Construct	Items	Loadings	AVE	CR
Layout and Design (LD)	Q42	0.702	0.606	0.753
	Q43	0.847		
Services and Entertainment (SE)	Q53	0.788	0.594	0.745
	Q54	0.754		
Service Staff (SS)	Q62	0.525	0.507	0.749
	Q63	0.807		
	Q65	0.771		
Logos, Slogans and Wordmarks (LSW)	Q71	0.732	0.673	0.803
	Q72	0.900		
Perception of Airport Branding of KLIA 1 (PAB)	Q81	0.715	0.575	0.802
	Q83	0.793		
	Q85	0.765		

Note: This table shows the measurement model test which was carried out in the initial stage. Most of the values are consistent with the rule of thumb as suggested by Hair et al. (2009). The measurement tests for item loadings, average variance extracted (AVE), and composite reliability (CR) accordingly. The sample size used was 212.

The next step of analysis is to check the discriminant validity. In this regard, Fornell and Larcker (1981) recommended their test on it. However, the existing evidence in the literature (see Henseler, Ringle, and Sarstedt, 2015) shows that the perspective of their model is not justifiable to detect the lack of discriminant validity in general research scopes. By taking into consideration existing debates on the model, this study employs the Fornell-Larcker analysis for discriminant validity. Table 3 presents the result of the Fornell and Larcker model (1981), where the square root of AVE (diagonal) is larger than the correlations (off-diagonal) for all reflective constructs.

TABLE 3
Discriminant Validity using Fornell and Lacker Criterion

	CFBO	LD	LSW	SRO	PAB	RP	SE	SS
CFBO	0.773							
LD	0.018	0.778						
LSW	0.351	0.235	0.820					
SRO	0.288	0.199	0.262	0.772				
PAB	0.353	0.407	0.442	0.469	0.758			
RP	0.130	0.286	0.268	0.268	0.526	0.804		
SE	0.186	0.203	0.522	0.257	0.412	0.382	0.771	
SS	0.140	0.029	0.604	0.131	0.348	0.278	0.515	0.712

Note: This table reported the test of discriminant validity using the method called Fornell and Larcker Criterion. As for the fitness of discriminant validity based on this technique, the square root of the AVE of a construct should be larger than the correlations between the construct and other constructs in the model. The sample size used was 212.

As for a supernumerary model, Henseler et al. (2015) recommended another option for discriminant validity termed the Heterotrait - Monotrait (HTMT) ratio of correlations. They also showed the power of HTMT by means of a Monte Carlo simulation study. Current research also tested for discriminant validity by employing the same method. The rule of thumb of the HTMT test is the HTMT value must be greater than the HTMT_{0.85} value of 0.85 (see Kline, 2011), or the HTMT_{0.90} value of 0.90 (see Gold, Malhotra, and Segars, 2001). The outcome of the HTMT test is shown in Table 4 and the values passed the HTMT_{0.85} and HTMT_{0.90} requirements (see Kline, 2011; Gold et al., 2001). Hence, it indicates that the measurement model possessed adequate validity and discriminant validity.

TABLE 4.
HTMT Criterion

	CFBO	LD	LSW	SRO	PAB	RP	SE	SS
CFBO								
LD	0.245							
LSW	0.887	0.571						
SRO	0.872	0.542	0.597					
PAB	0.766	0.843	0.741	0.795				
RP	0.404	0.692	0.594	0.500	0.537			
SE	0.558	0.587	0.263	0.568	0.517	0.418		
SS	0.606	0.186	0.341	0.366	0.611	0.681	0.715	

Note: This table shows the result of the heterotrait - monotrait (HTMT) test. This test is used mainly to determine whether there is discriminant validity in the model. The rule of thumb for this test is based on Kline (2011) and Gold et al. (2001). The sample size was 212.

Lastly, Table 5 shows the analysis of collinearity using the Variance Inflation Factor (VIF). The rule of thumb is that if the value of VIF is less than 10, then there is no existence of a multicollinearity issue, meaning that the variables selected for the analysis are suitable and fitted with the requirement (Gujarati, 2014). As evidenced in Table 5, the VIF values are less than 10, thus supporting the stand of no multicollinearity issue.

TABLE 5
Collinearity Statistics VIF Values

Items	VIF
Q11	1.042
Q12	1.042
Q21	1.070
Q23	1.070
Q31	1.107
Q33	1.107
Q42	1.050
Q43	1.050
Q53	1.037
Q54	1.037
Q62	1.159
Q63	1.374
Q65	1.208
Q71	1.150
Q72	1.150
Q81	1.180
Q83	1.310
Q85	1.265

This table reports the analysis of VIF. The VIF testing is used to check for multicollinearity problem in the model. If the values are less than 10, there is no existence of multicollinearity issues in the model and vice versa. The sample size is 212.

4.3 ASSESSMENT OF STRUCTURAL MODEL

Ramayah et al. (2016) suggested the R^2 value measures the goodness of the structural model. Similarly, Hair et al. (2011) also stated that the coefficient of determination and the level of significance of the path coefficients (beta values) can be measured by the R^2 . The R^2 for the generated results was 0.532, suggesting that 53.2 % of the variance of branding perception of KLIA could be explained by Choice of Food

and Beverage Outlets (CFBO), Selection of Retail Outlets (SRO), Retail Pricing (RP), Layout and Design (LD), Services and Entertainment (SE), Service Staff (SS), Logos, Slogans and Wordmarks (LSW). To further measure the assessment model significance, the current study computed the path coefficient of the structural model and performed a bootstrap analysis. Table 6 shows five out of seven variables have a significant relationship with branding perception. They are CFBO, LD, SRO, RP, and SS with beta values of 0.189, 0.242, 0.239, 0.293, and 0.134. Two variables namely LSW and SE were found to have an insignificant relationship with branding perception.

4.4 DISCUSSION

This study is based on the theory of experience which examined the perception of international passengers on branding in KLIA. The results of this study support the findings in the literature that customer experience has a significant influence on branding perception (Arnould, Price, and Zinkhan, 2002). This study also provided empirical evidence that choice of food and beverages (CFBO), selection of retail outlets (SRO), retail pricing (RP), layout and design (LD), and service staff (SS) have a significant influence on the branding perception of international passengers in the airport. The findings are consistent with the past studies such as choices of food and beverages (Castillo-Manzano et.al, 2018; Moodie Report, 2014), selection of retail and outlet (Research and Market Report, 2012; Han et al., 2018), layout and design (Clarine et al., 2013) and service staff (Tse, 2009; Castro, 2015). Besides, the results also indicate that two (2) variables, namely services and entertainment (SE) and Logo, Slogan, and Wordmarks (LSW) do not significantly influence the branding perception. Various factors can influence the international passengers' perception such as their background which varies with their nationality. If the service and entertainment are not in favor or clash with the cultural beliefs of the international passengers, then obviously SE does not carry weight to determine the perception toward airport branding. The same goes for the LSW, given that most of the signage and slogans in KLIA are displayed in the English language to cater to the larger number of international passengers; non-English speaking travellers perhaps do not position LSW as key satisfiers to airport branding. In fact, some studies claim that there was an occasion where other airports were found to have confusing

signage, thus contributing to major dissatisfaction in the airport setting (Bogicevic et al., 2013).

Besides, the status of a country such as a developed, emerging and developing country also plays a major role in the condition and capability of the country to offer desired services according to affordability.

TABLE 6
Results of Structural Model

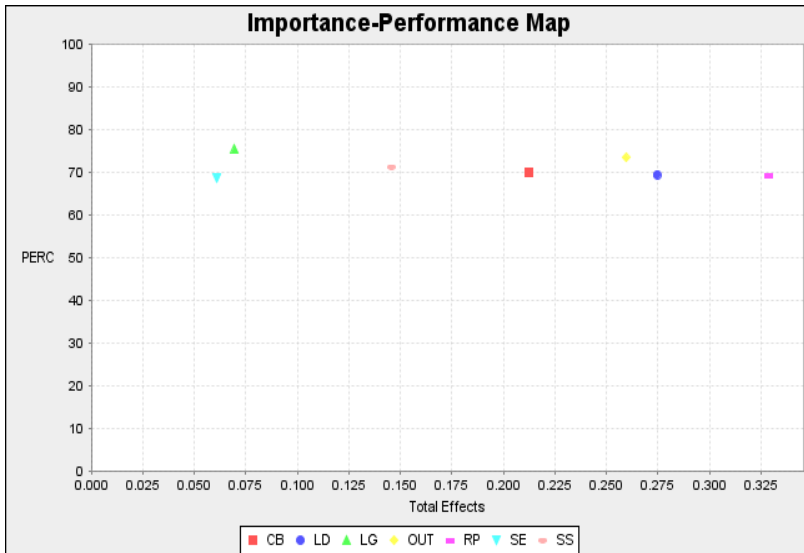
Hypothesis	R/ship	Std. Beta	Std. error	t-value	Decision
H1	CFBO ->PERC	0.189	0.054	3.479**	Supported
H2	LD -> PERC	0.242	0.054	4.476*	Supported
H3	LSW -> PERC	0.070	0.079	0.892	Not supported
H4	SRO -> PERC	0.239	0.047	5.144**	Supported
H5	RP -> PERC	0.293	0.075	3.917**	Supported
H6	SE -> PERC	0.049	0.058	0.835	Not supported
H7	SS -> PERC	0.134	0.074	1.815*	Supported

Note: This table shows the results of the structural model using Partial Least Square (PLS) version 3. The R-Square value is 0.532 and the sample size is 212. The signs *, **, *** denote significance at 10%, 5% and 1% respectively.

4.5 IMPORTANCE-PERFORMANCE MAP ANALYSIS (IPMA)

The objective of Importance-Performance Map Analysis (IPMA) is to observe which factors have a low performance but high importance for the target constructs (Ringle and Sarstedt, 2016). IPMA is a robust and useful analysis in PLS-SEM, which further extends the standard path coefficient estimates in a more practical way. In this research, the branding perception toward KLIA is the target construct which is predicted by seven predecessors (i.e., Choice of Food and Beverage Outlets, Selection of Retails Outlets, Retail Pricing, Layout and Design, Services and Entertainment, Service Staff, and Logos, Slogans and Wordmarks). The IPMA was performed and the results are shown in Figure 2.

FIGURE 2
Importance-Performance Map Analysis (IPMA)



4.6 ANALYSIS OF IPMA

The IPMA of international passenger branding perception on KLIA in Malaysia revealed that logo, slogans and wordmarks (LSW) had higher performance (75.348) but low level of importance (0.070). This means that the airport authority should not focus much on LSW and should rather give priority to SRO (0.239), RP (0.293), and LD (0.242) which have high important values, thus increasing further good perception on KLIA by international passengers. Furthermore, the findings also revealed that SE recorded low performance (68.56). Therefore, there is room for improvement to ensure that KLIA is competitive in terms of services and entertainment. For reader easiness, a complete list of the IPMA values is provided in Table 7.

TABLE 7
Importance-Performance Map Analysis Statistics

Constructs	Importance (Total Effect)	Performance (Index Values)
CFBO	0.189	69.896
LD	0.242	69.449
LSW	0.070	75.348

TABLE 7 (continued)

Constructs	Importance (Total Effect)	Performance (Index Values)
SRO	0.239	73.418
RP	0.293	69.173
SE	0.049	68.560
SS	0.134	71.228

Note: This table shows the values of Importance-Performance Map Analysis (IPMA) statistics. It is divided into two parts, namely Importance and Performance, and generated by PLS 3 software.

5. CONCLUSION AND POLICY IMPLICATIONS

The objective of this research is to analyze the branding perception of international passengers on Kuala Lumpur International Airport (KLIA). After a literature review, we have identified seven important factors (Choice of Food and Beverage Outlets (CFBO), Selection of Retails Outlets (SRO), Retail Pricing (RP), Layout and Design (LD), Services and Entertainment (SE), Service Staff (SS), Logos, Slogans and Wordmarks (LSW)) as key predictors of branding perception of KLIA. The data collection was based on questionnaire distribution to 212 respondents.

Later, the data were analyzed using the Partial Least Square (PLS). The *R*- Squared value of 53.20 percent revealed that variance in the branding strategy of KLIA could be explained by Choice of Food and Beverage Outlets (CFBO), Selection of Retails Outlets (SRO), Retail Pricing (RP), Layout and Design (LD), Services and Entertainment (SE), Service Staff (SS), Logos, Slogans and Wordmarks (LSW). Out of seven variables, five (Choice of Food and Beverage Outlets (CFBO), Layout and Design (LD), Selection of Retails Outlets (SRO), Retail Pricing (RP), Service Staff (SS) are found to be significant with branding perception of KLIA. The yielded results have been described in the light of logical explanation with literature support; the study also offers some implications from literature and managerial perspectives.

From the implications on the literature perspective, this study could be a breakthrough and enrich the literature on airport branding, especially in the context of an emerging country such as Malaysia. Although some literature exists on KLIA in marketing fields, most of the research look at the same dimensions only such as service quality, perception and safety. None of them look at the inside and outside

elements of KLIA which are directly or indirectly affecting KLIA branding strategies. We also believe that from managerial perspective, our results may assist MAHB in finding out the best ways to strategize the branding of KLIA and contribute to a more diversified population of passengers of the airport; this could later create a multiplier effect such as attracting more investors to invest in areas surrounding KLIA, generate jobs, and subsequently increase income level and airport revenue and finally enhancing the tourism industry. Moreover, by considering Malaysia's strategic position in the region, in line with national development, the findings of this research would be an asset for airport managers to implement such a strategy to attract more international and local passengers to their airports.

The sample size of the study is an obvious limitation, and interpretation of the results and conclusion cannot be as generalized. Given the time restriction, we could not collect as much as we can for this study. One of the obstacles was the COVID-19 pandemic whereby the airport and borders were closed; thus, we were unable to collect more survey data. Future research may look at how passengers prioritize branding strategies. This can be done via performing the "Analytical Hierarchy Process". Future research also can carry out interviews with passengers to get qualitative feedback on branding elements at the airport level.

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