

US Airlines Performance and Its Connection with Service Quality

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Abstract : The purpose of this paper is to determine the effects of service quality on US airlines' economic performance. In order to cover this goal, it has been considered four different indexes of service quality in the air transportation industry, and also two indicators of economic performance, revenues and return on investment (ROI). Data from American airline companies over a period that covers from 2006 to 2013 have been used in order to determine if airlines' profitability increases when service quality improves. Considering the effects on airlines' profitability, the results confirm the positive and significant influence of service quality on the ROI of the companies in our study. Meanwhile, a non-significant effect was found for airline revenues related to quality. No previous research in this area has been done and these findings could encourage airline companies to invest in quality as far as this policy can have a return on their profitability.

Keywords : airlines, economic performance, key performance indicators, quality

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