Information technology strategy responses to Covid-19 pandemic: case study e-service in air transport

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Abstract. The COVID-19 pandemic has affected the Airline Industry in many aspects. This has brought changes in many aspects of the lives both as service providers and service receivers in the air transport. Social distancing and other restrictions have significantly impacted the stakeholders in the airlines industry. In addition, several airlines faced more challenges after the reopening of the services and operations since adaptation of the new standards and procedures have set the limitations. Therefore, organizational planning and managing crisis are relevant. This research aimed to discuss relevant information in relations to e-service which could support the management levels to contribute to the crisis management strategic planning. The author adopted qualitative analysis by applying the in-depth interview. This research investigated how two airlines in Thailand had managed the disruptions and other disturbance caused by the COVID-19 pandemic. The respondents in the study were 8 managers working in two different airlines in Suvarnabhumi airport. This was conducted in April-May 2022 to study the relevant information in relations to the effectiveness of the strategy. The management in the Airline industry will benefit from this set of information and be able to help organizations in air transport to respond to current situations. Keywords: e-service quality, Covid-19 pandemic, air transport.

1 Introduction

Nowadays, there are many factors affecting Air Transport namely disease pandemic, natural disasters, terrorism, and so on. Therefore, organizations in the airline industry need to be well organized especially well prepared with the strategies. Some studies (Jiang et al., 2019) mentioned the importance and tools as a tourism crisis and disaster management (TCDM) to mitigate the impact of such incidents. In addition, each sector in the air transport needed to acknowledge for the plans to be familiar with and to recover from the impact of Covid-19 rapidly. Together with the cost reduction practices pandemic affects the internet and e-service use.

This contributed to a competitive marketing channel (Doolin et al., 2002). It’s found that people prefer interacting online with the travel business more than going to the travel agents since it is very convenient to get various information as the prices, destinations and schedules

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Accordingly, O’Connor & Frew (2004) found the electronic strategies to be an effective environment with the benefits of the cost reduction especially in hospitality industry. Furthermore, efficient marketing tool was suggested for marketers to encourage the customers to do e-service as making a reservation via the web pages (Morosan & Jeong, 2008).

Moreover, the key success factor of organizations in the industry is the implementation of the strategy. Thus, the objective of this article is to investigate the e-service strategy and the effectiveness of e-service strategy in the air transport. The researcher conducted interviews with the key stakeholders in the industry as the managers in the airlines.

The study is aimed to provide relevant information for the management levels in the airline industry to highlight the strategy with the implications and recommendations.

2 Literature review

2.1 Covid 19 pandemic

The consequences of COVID-19 pandemic is global. The impact of Covid-19 pandemic has affected worldwide in nearly all the countries and the territories. The beginning of the spread was first identified in Wuhan, China in December 2019. Nearly every countries around the world have strategies to take actions and be cautious by the implication of social distancing, wearing facial masks, hand washing.

In addition, the restrictions of mass gathering led staying home strategies. The actions have been put forth to respond to minimize the consequences (Sintema, 2020).

However, crisis management is one of the approach that identified ‘the art of removing the risk and uncertainty to allow you to achieve more control over your destiny’ (Fink, 1986). The author foresees the importance of this approach and continued the approach for the managers to be aware of the possible crisis situations. It is also suggested for the managers to be well prepared for the unexpected consequences. In addition, the way to handle the situations well is by learning lessons through experiences that considered crisis.

Therefore, the future policies of the organizations mainly were adapted from the approach of crisis handling experiences (Vinichenko et al., 2019; Ushakov, 2014).

To sum up, the improved preparedness strategy in handling crisis or unexpected situation is aimed to be an important tool for the future disruption (Evans & Elphick, 2005; Henderson, 2002).

2.2 E-service quality

Many researchers have mentioned the topics of e-service quality. Santos (2003) clarified the E-Service Quality as every experiences and expression of the customers towards the electronic service in the online channels. The previous research of Chen et al. (2019) mentioned that the impact of customers purchasing power is the service convenience which emphasize on the use of the technology. Other studies focusing on the service quality online have compared the different outcomes which have derived from different sources of information (Sue et al. 2012). In addition, it is interesting to study about the assessments. Since the previous researchers mentioned the experiments of customer’s satisfaction towards e service have shown the service quality through the website of travel agency (No. et al. 2015).

This inspired the author to emphasize the most appropriate way to lower the impact of the crisis in the organizations and suggest an opportunity possible for the organizations in the
air transport to cope in such situation. Thanks to the previous researchers that studied crises and mentioned the possibilities of aiding the management levels in the business (Evans & Elphick, 2005).

Moreover, researchers in the previous studies have applied strategies in various consequences (Laws & Prideaux, 2005; Ushakov, 2018; Kankaew, 2020).

3 Methodology

This research is conducted to find the responsive strategy in relations to E-service in airlines towards Covid-19 pandemic. The qualitative method has been used in this study to analyse the effectiveness of E-service. The author applied an in-depth interview. The respondents were 8 managers operating from two different airlines operating at Suvarnabhumi airport in Thailand during May-June 2022.

The purposes of this study were to gather information in management levels in the airline business and to evaluate the effectiveness of the E-service strategy being applied. The respondents will identify the lessons learned from the pandemic and the best response of the strategy.

The benefits of conducting the in-depth interviews were to obtain relevant data as opinions from the managers who’re experiencing the consequences in the air transport environment. The interview was structured with open-ended questions with the three main focus areas:

(1) Which functions of E-Service is most likely to be affected by COVID-19,
(2) How are these impact connected to other business, and
(3) How can E-Service Strategy effectively mitigate the impact
(4) How can E-Service be prepared for post Covid-19

The qualitative method of this study was analysed using a text-analytic tool with the SPSS model.

4 Results

The author discovered that the impact of Covid-19 pandemic on travel restrictions caused difficulties not only for the business performance but also for the managers to handle under unstable consequences.

When asked which functions of E-Service are most likely to be affected by COVID-19, some managers mentioned that the airlines need to develop budgets to upgrade safety standards. Furthermore, the airlines need to focus more on the training employees.

Next, when asked how these impacts are connected to other business, some managers mentioned the digital marketing. Since it is most likely that this kind of crisis could happen again in the future, so the airlines can deal with future crises.

The consequences of the pandemic covid-19 were the time of the study. The period of gathering the data was the period in May-June 2022. The researcher completed an in-depth interview with the 8 managers in two different airlines.

Two strategies were discovered - “Reward” and “Convenience” The related strategies are proposed from the interview and reported as follows: website service is the home to E-Service for all airlines. In addition, to make a home welcoming to all passengers. The interviewee discussed various mechanisms to attract new customers and to serve the existing customers. Firstly, reward function could be added to the website sections. For instance, collaboration with the evaluation strategy by including customers’ behaviours of sharing.

When customers share their legacy, they earn more points. The impact strategy of sharing will benefit the customers in earning future discounts and other future engaging benefits in
the E-service. In addition, the reward mechanism is a great tool to attract new customers to visit the website services. Secondly, it is recommended that the airlines should focus in the areas of the convenience including ease of use of all functions through online services. The competitive market during covid-19 pandemic and post covid-19 pandemic is the speed of responding to the passengers. It is suggested for the airlines to focus on the quality service in the E-Service as this personalization as first class experience can be designed, enhanced and applied online.

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Fig. 1. Reward Strategy.

Fig. 2. Convenience Strategy.

5 Conclusion

As Covid-19 pandemic is global and significant and is still an on going crisis. As a result, the interactions have now shifted to online services as common digital experiences. The researcher highlighted the important information of TCDM that the respondents agreed that the fundamental responsive strategy towards E-Service in the air transport is the creative use of the limited resources including budget, technology, human resources, and so on. It is also suggested for the managers to set priorities as the previous researches mentioned in the key success factor of TCDM is focusing three main areas that required attention are business recovery, physical recovery and safety (Khazai et al., 2018). This will enhance effectiveness
use of the E-service strategy in TCDM and post covid-19 crisis recovery in air transport.

Reference

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