

**THE IMPACT OF SERVICE DELIVERY
PROCESS ON CUSTOMER SATISFACTION
AND LOYALTY : A RESEARCH IN
THE BUS TRANSPORTATION
INDUSTRY**

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KOLEJ UNIVERSITI TERENGGANU
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2001

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Perpustakaan
Kolej Universiti Sains Dan Teknologi Malaysia (KUSTEM)

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The impact of service delivery process on customer satisfaction
and loyalty : a research in the bus transportation industry /
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TESIS

THE IMPACT OF SERVICE DELIVERY PROCESS ON CUSTOMER
SATISFACTION AND LOYALTY: A RESEARCH IN BUS
TRANSPORTATION INDUSTRY

By

SUMAIAH MUHAMAD

Thesis Submitted in Fulfilment of the Requirement for the
Degree of Master of Science in the
Faculty of Management and Economics
Kolej Universiti Terengganu
Universiti Putra Malaysia

January 2001

110002108

Acknowledgment thesis presented to the Senate of Universiti Putra Malaysia
in fulfillment of the requirement for the degree of Master of Science.

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MAKING A DIFFERENCE By SIRAJAH BT MUHAMAD

SIRAJAH BT MUHAMAD

January 2001

Chairman: Abdul Razak bin Kamaruddin, Ph.D

Faculty of Management To my beloved parents and friends,

The purpose of this research is to investigate the service provided, customer satisfaction and loyalty in the bus express industry. Five components of the service process (interactions before travel, during travel, after travel, terminal facilities and bus conditions) are assessed as a measure of satisfaction within the express bus industry. This study also explores the relationship between service quality and customer satisfaction and the relationship between customer satisfaction and customer loyalty. The study also focuses on the demographical characteristics, travel behavior and the purpose of travel by respondents using primary coach transportation.

Seven hypotheses were constructed. An hypothesis concerning the relationship between service quality and customer satisfaction, and two hypotheses with regards to customer satisfaction and loyalty repeat usage and positive word-of-mouth communication.

Abstract of thesis presented to the Senate of Universiti Putra Malaysia in fulfilment of the requirement for the degree of Master of Science.

THE IMPACT OF SERVICE DELIVERY PROCESS ON CUSTOMER SATISFACTION AND LOYALTY: A RESEARCH IN THE BUS TRANSPORTATION INDUSTRY

By

SUMAIAH BT MUHAMAD

January 2001

Chairman : Abdul Razak bin Kamaruddin, Ph.D

Faculty : Management and Economics

The purpose of this research is to investigate the service processes, customer satisfaction and loyalty in the bus express industry. Five components of the service processes (experience before travel, during travel, after travel, terminal facilities and bus operations) are assessed as a service measurement within the express bus industry. This study also examines the relationship between service processes and customer satisfaction and the relationship between customer satisfaction and customer loyalty. The study also focuses on the demographic characteristics, travel behaviour and the purpose of travel by respondents using the express coach transportation.

Seven hypotheses were constructed, five hypotheses examine the relationship between service processes and customer satisfaction, and two hypotheses with regards to customer satisfaction and loyalty (repeat usage and positive word-of-mouth communications).

Respondents for this study consist of 200 persons who had experienced the service provided. This sample size was decided using convenience sampling from passengers who had experienced using Syarikat Kenderaan Melayu Kelantan express bus service enroute from Kota Bharu to Kuala Lumpur. The data were collected using a set of questionnaire which contained eight sections; five sections dealing with service processes, one section as a measurement for customer satisfaction and loyalty, one section on respondents' travel behavior and the last section solicits demographic information. The data were analyzed using Statistical Package for Social Science (SPSS) computer program.

Findings from the study showed that all the service processes such as experience before travel, during travel, after travel, terminal facilities and bus operations have a significant relationship with customer satisfaction. So, all the activities that form the service delivery processes have an influence on customer satisfaction. In addition, the result also indicated that customer loyalty (from the view point of repeat usage and positive word-of-mouth communications) was strongly influenced by customer satisfaction.

Abstrak tesis dikemukakan kepada Senat Universiti Putra Malaysia sebagai memenuhi keperluan untuk Ijazah Master Sains.

KESAN PROSES PENYAMPAIAN PERKHIDMATAN KE ATAS KEPUASAN DAN KESETIAAN PELANGGAN: KAJIAN DALAM INDUSTRI PENGANGKUTAN BAS

Oleh

SUMAIAH BT MUHAMAD

Januari 2001

Pengerusi : Abdul Razak bin Kamaruddin, Ph.D

Fakulti : Pengurusan dan Ekonomi

Kajian ini bertujuan membincangkan tentang proses-proses perkhidmatan, kepuasan dan kesetiaan pelanggan dalam industri bas ekspres. Lima komponen proses-proses perkhidmatan (pengalaman sebelum perjalanan, semasa perjalanan, selepas perjalanan, kemudahan di terminal dan operasi bas) digunakan sebagai pengukuran perkhidmatan dalam industri pengangkutan bas. Kajian ini juga mengkaji tentang hubungan antara proses-proses perkhidmatan dan kepuasan pelanggan dan hubungan kepuasan dan kesetiaan pelanggan. Kajian ini juga menumpukan kepada ciri-ciri demografi, kelakuan perjalanan dan juga tujuan perjalanan responden menggunakan pengangkutan bas ekspres.

Sebanyak tujuh hipotesis telah dibina, lima hipotesis untuk mengkaji hubungan antara proses-proses perkhidmatan dan kepuasan dan dua

hipotesis mengenai hubungan di antara kepuasan dan kesetiaan pelanggan (pengulangan penggunaan dan komunikasi mulut ke mulut positif).

Responden bagi kajian ini terdiri daripada 200 orang yang mempunyai pengalaman dengan perkhidmatan yang disediakan. Saiz sampel dipilih menggunakan persampelan mudah daripada penumpang yang mempunyai pengalaman menaiki perkhidmatan bas ekspres Syarikat Kenderaan Melayu Kelantan Berhad dalam perjalanan daripada Kota Bharu ke Kuala Lumpur. Data dikumpulkan menggunakan satu set borang soal-selidik yang mengandungi lapan bahagian; lima bahagian mengenai proses-proses perkhidmatan, satu bahagian sebagai pengukuran kepada kepuasan dan kesetiaan pelanggan, satu bahagian berkaitan gelagat perjalanan responden dan bahagian terakhir menyiasat mengenai maklumat demografi. Data dianalisa menggunakan Pakej Statistik untuk Sains Sosial (SPSS).

Hasil daripada kajian menunjukkan bahawa semua proses perkhidmatan seperti pengalaman sebelum, semasa dan selepas perjalanan, kemudahan di terminal dan operasi bas mempunyai hubungan yang signifikan dengan kepuasan pelanggan. Oleh itu, semua aktiviti-aktiviti yang membentuk proses penyampaian perkhidmatan mempunyai kesan ke atas kepuasan pelanggan. Hasil kajian juga menunjukkan bahawa kepuasan pelanggan mempunyai pengaruh yang kuat ke atas kesetiaan pelanggan dari segi pengulangan penggunaan dan komunikasi mulut ke mulut positif.