A Study on the Impact of Courier Service Quality on Customer Satisfaction in Malaysia

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Degree of Bachelor of Entrepreneurship
(Logistics & Distributive Trade) with Honours



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by

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UNIVERSITY MALAYSIA KELANTAN

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The objective of this study is to examine the impact of courier service quality on customer satisfaction in Malaysia. Service quality is crucial in a company's operational activities because it has a great impact on customer satisfaction and loyalty. Service quality will be measured in five dimensions: reliability, responsiveness, empathy, assurance, and tangibles. Customers are the key to winning in the competition among business practitioners. Service quality is an important component of the marketing mix that has an impact on consumers. Service quality is an important component in influencing customers when it comes to increasing customer loyalty. The data analyzed were collected from Malaysian citizens (aged 15 to 60 years). This study discusses the findings of the study and examines whether the objectives of this study can be achieved. Conclusions and recommendations will be presented in the final chapter.

UNIVERSITI MALAYSIA KELANTAN Objektif kajian ini adalah untuk mengkaji kesan kualiti perkhidmatan kurier terhadap kepuasan pelanggan di Malaysia. Kualiti perkhidmatan adalah penting dalam aktiviti operasi syarikat kerana ia mempunyai kesan yang besar terhadap kepuasan dan kesetiaan pelanggan. Kualiti perkhidmatan akan diukur dalam lima dimensi: kebolehpercayaan, tanggungjawab, empati, jaminan dan ketara. Pelanggan adalah kunci untuk berjaya dalam persaingan di kalangan pengamal perniagaan. Kualiti perkhidmatan adalah komponen penting dalam campuran pemasaran yang memberi kesan kepada pengguna. Kualiti perkhidmatan adalah komponen penting dalam mempengaruhi pelanggan apabila ia melibatkan peningkatan kesetiaan pelanggan. Data yang dianalisis dikumpul daripada warganegara Malaysia (berumur 15 hingga 60 tahun). Kajian ini membincangkan dapatan kajian dan mengkaji sama ada objektif kajian ini dapat dicapai. Kesimpulan dan cadangan akan dibentangkan dalam bab terakhir.

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CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF STUDY

The purpose of this study is to understand the impact of courier service quality on customer satisfaction in Malaysia. Over the past few years, the boom in online purchasing has led to the emergence of numerous courier services that provide the convenience of online purchasing to people around the world. However, in the midst of this pandemic, online courier services are in high demand. With more people staying at home, they are migrating from traditional purchases to online purchases, which has led to an increasing demand for couriers. Courier services help consumers order things not only from local markets but also internationally, regardless of the size or weight of the order. According to Patel (2022), the job of a courier is to transport packages from one place to another for a company or individual. Simply put, courier services enable people to receive or send any type of parcel or goods from one area to another, whether it is any city, country or a letter from outside. Shipsy (2022) noted that courier service providers are giving new opportunities to e-commerce businesses to expand their consumer base and reach. PosLaju, GD Express, J&T Express, ABX Express, Skynet Express, City-Link Express, Ninja Van Malaysia, DHL Express, LalaMove, EasyParcel, and Pgeon are the courier services in Malaysia. This chapter provides an overview of the study. Background of the study, problem statement, research objectives, significance of the study, research questions, scope of study and definition of terms are the seven main sections.

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1.2 COURIER SERVICE SECTOR IN MALAYSIA

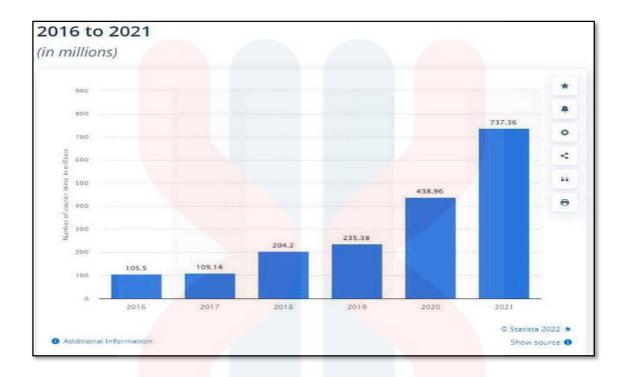


Figure 1.1: Number of Domestic Courier Items delivered by Courier Service Providers in Malaysia from 2016 to 2021 (in millions)

Malaysia's courier service provider delivered approximately 737.36 million domestic courier items in 2021. In the same year, the e-commerce market is forecasted to be worth RM28.5 billion. The expansion of the e-commerce industry has led to an increase in parcel deliveries, which has boosted the revenue of the postal and courier industries.

In calculating the courier traffic in 2021 and 2020, there are 105 and 100 courier companies respectively and 98 courier companies in 2018 and 2019, it is based on the top 10 courier services before then. Documents, parcels and other items (non-priority mail, walk in courier services, pre-paid post and expedited post) are considered as courier items.

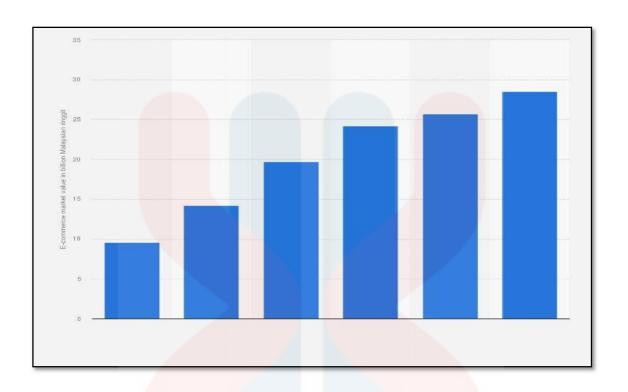


Figure 1.2: E-Commerce Market Value in Malaysia from 2016 to 2021 (in millions)

In 2021, the Malaysian e-commerce market is expected to be worth RM28.5 billion. This is an increase of MYR 2.8 billion or approximately 10.7 percent compared to MYR 25.7 billion in 2020. The country's e-commerce market has almost tripled in size since 2016. A factor in the growth of the e-commerce industry is the high usage of the Internet in Malaysia. When the COVID-19 outbreak first started, the Malaysian government issued a Mobile Control Order (MCO) to encourage people to buy online rather than in physical stores. Since the second quarter of 2020, the share of online shoppers in Malaysia has gradually climbed. Many shoppers say that the epidemic has changed their buying patterns, especially the frequency of their online transactions.

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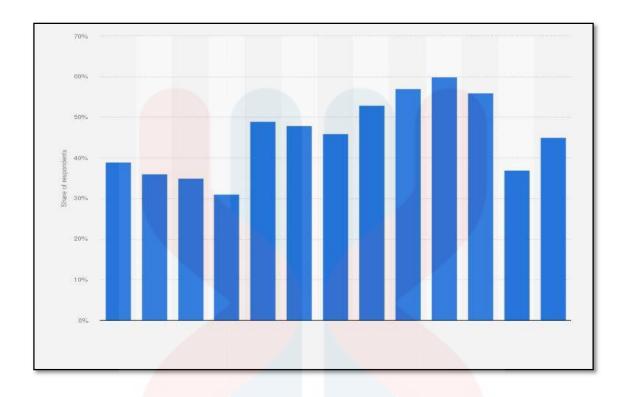


Figure 1.3: Share of Online Shoppers in Malaysia from 1st Quarter 2019 to 1st Quarter 2022

According to a study on online purchases, Malaysian customers boosted their online purchases from e-commerce sites during the COVID-19 epidemic. The percentage of people who made online purchases from e-commerce sites decreased from 56 percent to 37 percent due to the removal of the movement control order in the fourth quarter of 2021.



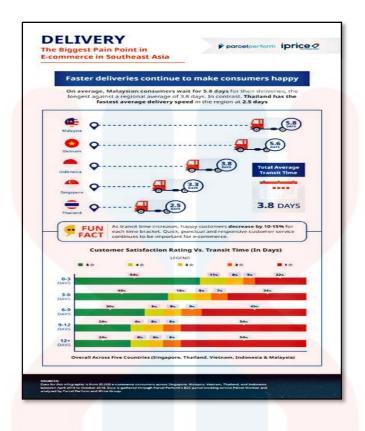


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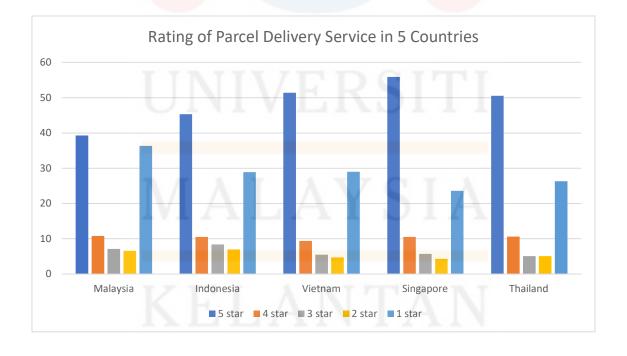


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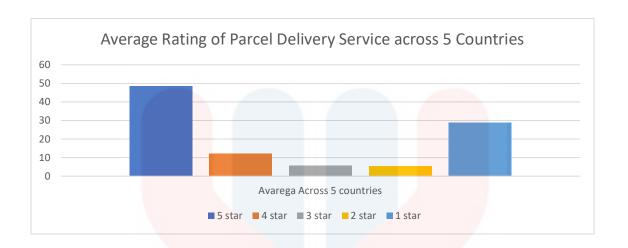


Figure 1.6: Average Rating of Parcel Delivery Service across 5 Countries

Among the five Southeast Asian countries surveyed, 28.1 percent of respondents gave their parcel delivery experience a one-star rating. Vietnam, Indonesia and Malaysia were the countries that received the most one-star ratings. Most of the dissatisfaction centered on the poor customer service provided by the courier companies, lack of contact during the delivery process, and late deliveries.

E-commerce in Malaysia has grown by 11.4 percent over the past five years, but delivery remains an issue, with Malaysian customers reporting the highest level of dissatisfaction in Southeast Asia. This information comes from a recent study by Parcel Perform and I Price Group involving more than 80,000 customers in Malaysia, Singapore, Indonesia, Vietnam and Thailand. Package Perform is a SaaS-based global parcel tracking system that tracks more than 600 logistics carriers internationally.

According to the report, 43 percent of Malaysian consumers are dissatisfied with the quality of the delivery they receive from online retailers. With a delivery time of 5.8 days

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instead of the region's average of 3.3 days, Malaysia reported the longest shipping time. In Southeast Asia, more than 90 percent of customer complaints and unfavorable comments were due to late delivery or lack of communication about the status of delivery, and 34 percent of consumers continue to cite package delivery as a major e-commerce pain point.

1.3 PROBLEM STATEMENT

Online marketing has grown rapidly in recent years, but delivery issues have also become increasingly problematic. Jiradilok et al. (2014) argue that technology has an impact on customer happiness by way of delivery, while Karim (2013) relates the rise of online shopping and internet users to overall satisfaction with their buying habits. The overall satisfaction with the courier service quality in online shopping is still low, which indicates that there are many problems with the service quality management of couriers in online shopping. According to Tarhini et al. (2021), the ability to save time and effort is a major factor in the growth of online purchasing. From the perspective of express delivery, with the abundance of online consumer products, consumers may purchase one product at a time or multiple times, one product may be purchased by consumers across the country, and so on. These can lead to damage or poor information in the process of transportation of the products purchased by consumers, coupled with customer applications for returns, will bring difficulties to the delivery of couriers, resulting in reduced customer satisfaction with online shopping. According to Saleh (2016), the online purchases are returned because the customer received an item that was not what they thought it would be. Not only that, Saleh (2016) also stated that returns and complaints are on the rise when customers shop online.

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With the development of the economy and the improvement of people's living standards, more and more kinds of products are purchased through the Internet, and consumers' requirements for products are getting higher and higher. Therefore, according to the above analysis, courier delivery is no longer a simple delivery of goods, but is slowly transforming into a time-saving, accurate and personalized service experience. Courier delivery has become a very important part of the online marketing process. Based on the summary of the above factors, this paper studies the impact of courier service quality on customer satisfaction.

1.4 RESEARCH QUESTION

The following research question are made in order to accomplish the study objectives:

- 1) What is the level of customer satisfaction on courier service quality in Malaysia?
- 2) What is the relationship between service quality and customer satisfaction on courier service in Malaysia?
- 3) What is the most influential factor in SERVQUAL model (reliability, responsiveness, empathy, assurance and tangible) towards customer satisfaction on courier service quality in Malaysia?

1.5 RESEARCH OBJECTIVE

The main objective of this study is to access factor influencing customer satisfaction on courier service quality in Malaysia. This study will precisely focus about:

1) To identify the level of customer satisfaction on courier service quality in Malaysia.

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- To determine the relationship between service quality and customer satisfaction on courier service in Malaysia.
- 3) To identify the most influence factor in SERVQUAL model (reliability, responsiveness, empathy, assurance and tangible) towards customer satisfaction on courier service quality in Malaysia.

1.6 SCOPE OF STUDY

The scope of the study focused on the customer satisfaction in using courier services in Malaysia. The purpose of this study is to determine the factors of courier service quality that influence customer satisfaction in Malaysia in order to help the courier services in Malaysia to improve their services and performance in the future. The variables discussed in this study are customer satisfaction, reliability, responsiveness, empathy, assurance, and tangible. The respondents who participated in this study are the users of courier services in Malaysia. The respondents chosen is Malaysia citizen between 15-60 years old. The questionnaire will be distributed through social media such as Facebook and WhatsApp, targeting people who use courier services. This study was conducted to identify the level of customer satisfaction in courier service among in every state throughout Malaysia.

1.7 SIGNIFICANT OF STUDY

The study was designed to examine how courier service quality affects customer satisfaction in Malaysia. This study also proposed to measure the relationship between courier service quality and customer satisfaction in Malaysia. In the study, various importance related

to courier service quality was obtained and it contributes to the view of organization, individual and body of knowledge.

The results of this study can help organizations to improve their knowledge about the factors in the SERVQUAL model that have the most influence on customer satisfaction of courier service quality in Malaysia. In addition, the management of courier companies can use the results of this study to better understand the impact of service quality on customer satisfaction. This study will also help courier companies to improve their services and gain customer loyalty in order to earn more profit and expand their overseas business.

From the perspective of individuals such as customers, they can express their opinions and satisfaction with the quality of courier services. For the body of knowledge, they can discover a new method or approach to address the same problem that was found in previous studies by reviewing empirical studies on a particular topic.

1.8 DEFINITION OF TERM

1.8.1 Service

According to Fornell, C. (2009), satisfaction is defined as enjoyment, pleasure, or the fulfillment of a desire. Satisfaction is a feeling that arises from the satisfaction of needs and desires. It is widely expressed and used in the fields of psychology, planning, marketing, and entertainment. Bilton et al. states that the degree of pleasure or the elements that constitute satisfaction for a person or a group may depend on a number of interrelated characteristics,

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such as their social class, race, or economic differences. Satisfaction is seen as a manifestation of achieving a desired outcome, which is influenced by prior expectations of quality. Positive disconfirmation occurs when the performance of a product exceeds prior expectations. H.C Purohit (2004) noted that confirmation and positive disconfirmation may lead to satisfaction, however negative disconfirmation occurs when product performance is lower than expected.

1.8.2 Quality

According to Binus University (2017), quality begins with understanding the demands of the customer and ends when those demands are met. Quality is often used to refer to "excellence" in a product or service. For example, in some manufacturing organizations, the term may be used to indicate that a material or equipment meets specified physical dimensional qualities that are sometimes listed in the form of " tight" specifications. Quality is primarily a perceived and subjective characteristic. Different people may have different interpretations of what the term means. Effective quality management can enhance an organization's brand and reputation, safeguard it from hazards, improve efficiency, increase profitability, and put it in a position to continue to expand. In reality, the key to motivation and quality is that each member of the organization has a clearly defined customer.

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CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

This section includes a significant literature analysis that demonstrates the relationship between courier service quality and customer satisfaction in Malaysia. In the service quality hypothesis, the customer's expectation of the courier affects the quality level of the service. Therefore, customer happiness is the basis for providing quality services. Customer satisfaction is the dependent variable, while courier service quality is the independent variable. According to the researcher's framework, which is the influence of customer satisfaction, the researcher also discusses in more depth the independent and dependent variables.

2.2 UNDERPINNING THEORY

The theory underlying this study is the service quality model, the SERVQUAL model, which was developed by Parasuraman et al. In 1988, the SERVQUAL model was created and implemented by American marketing experts Valarie Zeithaml, A. Parasuraman and Leonard Berry. The creators of the technique assumed that a gap would occur between the level of service delivered and the level of service expected. The difference in service quality occurs when the customer's expectations are greater than their actual experience. Ramya et al. (2019) stated that the SERVQUAL model is based on the perceived gap between received and expected service quality and is widely used to explain consumer satisfaction with service quality. The SERVQUAL model helps to narrow the gap between what a company believes it gives to its customers and what consumers expect, desire or it uses five criteria to measure service quality. It uses five criteria to measure service quality and customer satisfaction, including reliability, responsiveness, empathy, assurance and tangible.

According to Parasuraman et al. (1988), the first gap exists between the expectations of consumers and the perspectives of service providers' generating entities on customer demand. The size of the gap is influenced by the marketing research conducted by the particular company. The second gap refers to the contradiction between the conceptual and actual quality of the service. The size of this gap depends on the management's focus on service quality and goal setting, as well as the standardization of activities and the perception of opportunities. The third gap is related to the difference between the service provided and the specificity that creates the service quality. The size of this gap depends on teamwork, the matching of people to delegated work, technology, perceptions of control, and systems of supervision and control.

The fourth gap is between the services promised and the services provided. The size of this gap is influenced by horizontal communication and the tendency to overstate promises. The fifth and last gap is generated by the previous four gaps. The size of the aforementioned gaps is determined by a number of variables, including manager and employee dedication, marketing research, uniformity of activity, perception of customer requirements, and customer contact. Thus, a comparison of expectations and perceptions of service quality provides an answer to the question of how consumers perceive service quality. As a research tool, the SERVQUAL model identifies the relative impact of five factors on customer perceptions, namely reliability, responsiveness, empathy, assurance and tangibles.

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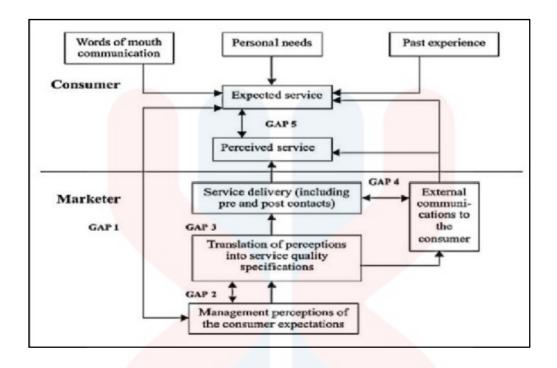


Figure 2.1: Theoretical Framework of Service Quality (SERVQUAL) Model

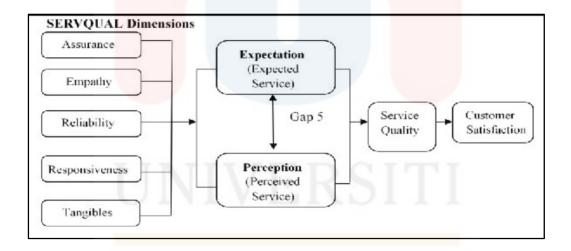


Figure 2.2: Conceptual Framework of Gap 5

2.3 CUSTOMER SATISFACTION ON COURIER SERVICE QUALITY

According to Gianluigi Guido (2015), customer satisfaction is described as a postpurchase psychological state that reflects a judgment about the use of a product or service. It is

one of the most influential factors in determining future purchases and customer loyalty. Perceived performance refers to the consumer's perception of the product or service's performance. Therefore, the creator of any product or service should give the highest priority to ensuring the customer's well-being. According to LaBarbara and Mazursky (1983), the impact of customer satisfaction on the propensity to repurchase is enormous. Therefore, a high level of customer satisfaction ensures customer retention. The level of customer satisfaction is measured by how satisfied customers are with the company's goods, services and features. Through surveys and evaluations, companies can learn about consumer satisfaction and make decisions about how to improve or change their goods and services. Customer satisfaction is the primary goal of an organization. It applies to companies, businesses, merchants and wholesalers, government organizations, non-profit organizations, charities, and every department of a company.

Customer happiness gives marketers and business people a statistic they can use to manage and grow their companies. By assessing customer loyalty, it is possible to determine whether a company will survive or whether a product will continue to sell. Most companies will not experience continuity problems if their customers are satisfied with their performance.

Today, customer satisfaction encompasses a wide range of factors that are influenced not only by the price and quality of the product, but also by the degree of coordination of services and logistics (Ghoumrassi et al, 2017). When customers are satisfied with a product, they usually contribute more money to the company through repeat business or word-of-mouth recommendations. Hong et al. (2019) stated that customer satisfaction is defined as the evaluation of goods and services based on desired quality and perceived quality.

Satisfaction is seen as a total assessment of the performance a company can deliver, whether it is a product or a service. For a company to fully satisfy its customers, the quality of its products and services is crucial, and these performances may encourage customer loyalty. Furthermore, Murfield et al. (2017) found that customer delight is positively associated with customer loyalty in an omnichannel environment. Simanjuntak et al. (2020) investigated the impact of consumer perceived value, business image, and service quality on customer satisfaction with car loans. According to the survey, customer happiness was significantly influenced by customer perceived value, business image, and service quality. In addition, there is an awareness that switching to a different credit provider requires more time, effort and expense. Therefore, switching barriers also have a significant impact on customer retention. On the other hand, customer retention is not directly influenced by customer satisfaction. In this case, the company's goods and services do not ensure that they will remain in the business.

Customer happiness is a key element of business strategy and it determines the effectiveness of services. It is given as ideas that can be used in numerous contexts and is often associated with goods and services. It is described as the customer's evaluation of the good or service to see if it meets their desires and expectations. The four types of satisfaction - enjoyment, relaxation, novelty and surprise - are separate from customer satisfaction. In a myriad of service contexts, the satisfaction or dissatisfaction of different customers can interact with each other. Although positive relationships with other customers will improve a company's customer service, the information consumers learn from each other should also lead to an improvement in the quality of the company's service. For example, long-term customer appreciation, efficiency and maintenance are all important benefits for improving service providers. In addition, according to numerous experts, customer satisfaction greatly influences customer perceptions of repurchase. Happy consumers encourage nice informal conversations,

which attract new customers and support lasting business. Customer satisfaction is a level of achievement for all businesses, including the public sector, as it can affect the operation of a business or the provision of goods or services (Ok et al., 2018).

According to Scheck (2016), there are seven effective techniques to improve customer happiness. Every company needs to know its customers; it is not enough to know their names, addresses, and ages. Instead, companies need to understand their interests and desires in order to better provide products and services, and at the same time, this can assist companies in making better decisions about future offerings. In order to ensure customer loyalty, companies must provide personalized services. By providing these services, companies will better understand their consumers, which is beneficial for both the customer and the company. If a company provides product training and customer support to its customers, they may have a better understanding of the product. Helping customers even after they have made a purchase can extend the life of the product; therefore, customers will trust the company to provide excellent service and are more likely to buy again in the future. Companies can reach more customers by having a social media platform. Having a social media presence may help companies reach consumers more easily, as most Internet users utilize social media. Without spending money on researching and interviewing them about their products, companies can improve their products through the many reviews, opinions, and ideas from customers on social media. Since most people use the Internet, offering free Wi-Fi to your customers when they visit your store or office may encourage them to stay longer and make more purchases. Building a closer relationship with consumers by surprising them with discounts, giveaways and other advantages can help businesses significantly improve customer happiness. Soliciting feedback from customers after a transaction is critical. Companies can determine what questions or

concerns customers have about the services or goods provided and how to address them with the assistance of customer insights.

2.4 SERVICE QUALITY

Hong et al. (2019) emphasized that service quality is important in e-commerce platforms and logistics companies. The ability to provide improved service quality can help the service industry achieve competitive growth. Service quality has been extensively discussed in the literature and it is often understood as a function of customers' expectations of the benefits provided and their agreement with the actual benefits received. Moreover, the customer's perception of the service is determined by two main factors: technical quality and functional quality, which distinguish service quality from product quality. The perceived quality of tangible objects is mainly determined by the results of service delivery. In other words, individuals judge the quality of physical objects primarily on the basis of technical merit. Therefore, courier services must improve the quality of their services in order to drive the company's growth.

2.4.1 Relationship Between Reliability and Customer Satisfaction

According to Drost (2011), reliability is the degree to which a measurement is repeatable when measured by different people, in different settings, under different conditions, and ostensibly with different instruments to measure the construct or skill while H. Iberahim et al. (2016) argued that reliability is related to an organization's ability to deliver the expected standard at any given time, how well it handles customer service issues, performs appropriate services the first time, delivers services on schedule, and maintains error-free records.

Indeed Editorial Team (2021) defines reliability as the ability and consistency of an organization to provide a certain service in a way that meets the needs of the customer. This stage encompasses all aspects of customer contact, such as delivery or execution of goods or services, quick and precise problem resolution, and competitive pricing. Customers demand reliability when buying a specific product, and a company's success depends to a large extent on its ability to meet these expectations.

Martini et al. (2018) defines good reliability as the ability of an organization to deliver on its promises by leveraging its physical holdings. According to Robert and Wowor (2011) and Uyoga (2018), reliability has a beneficial effect on customer satisfaction. This means that the ability to deliver the promised services on time, appropriately and efficiently may affect customer satisfaction. Yousuf (2017) asserted that the reliability component of service quality affects customer delight. Familyeh et al. (2018) emphasized the same thing that reliability is the ability of a company to deliver services accurately and reliably as promised.

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In courier services, reliability is measured by the ability to deliver products from one location to another with precision. This can be measured from the condition of the required item to the delivery time. According to Joefel T. Liboon (2021), the ordered product is not only undamaged, but also has a short waiting time for shipping and delivery. Kersten and Koch (2010) state that the importance of the reliability dimension is to ensure on-time delivery, solve customer problems, do the right thing the first time, deliver on time, and provide undamaged items. Thus, this dimension represents the link between service and time. The link between

reliability and customer satisfaction is that reliability has a positive impact on customer satisfaction. The higher the consumer rating of a company's reliability, the higher the customer satisfaction.

 H_1 : There is a significant relationship between reliability and customer satisfaction.

2.4.2 Relationship Between Responsiveness and Customer Satisfaction

The readiness and ability of a service provider to meet and adapt to consumer requirements is referred to as responsiveness. Therefore, it is distinguished by the enthusiasm or position that represents the provision of advantages (El Saghier and Nathan, 2013). In addition, it entails seeing the requirements and needs of customers, convenient working hours, personal attention provided by employees, caring for difficulties, and the happiness of customers in the trade. Receiving, analyzing, and responding quickly to consumer requests, feedback, concerns, and difficulties is what responsiveness entails. Munusamy et al. (2010) define responsiveness as the desire of employees or personnel to assist customers and provide good service and response. Employees' motivation to solve the difficulties that consumers encounter in utilizing the service has a favorable impact on customer satisfaction.

According to previous studies by Al-Weshah et al. (2013), responsiveness has the strongest association with customer satisfaction. Regarding to Ok et al. (2018), measuring customer satisfaction may affect the operation of a firm or the provision of goods or services; therefore, customer satisfaction is the level of success for all firms including government agencies. A company that provides high quality services usually responds to consumer

communications as quickly as possible, which can often reflect the importance the company places on customer satisfaction.

According to Naik, Gantasala, and Prabhakar (2010), consumers in the retail industry indicated the highest satisfaction for responsiveness and speed of service, as well as the correctness of transactions at the cash register. Employees should be taught and recruited based on their abilities to be helpful in providing client satisfaction. Direct interaction between workers or service providers and customers will improve response. Due to delays and distance, service providers may be slow to respond. Major supply chain distances and processing time delays might limit responsiveness.

Naik, Gantasala, and Prabhakar (2010) also stated that consumers in the retail industry report the highest satisfaction with responsiveness and speed of service and correctness of transactions at the checkout counter. Employees should be taught and recruited according to their abilities to help provide customer satisfaction. Direct interaction between the worker or service provider and the customer will improve the response. Service providers may be slow to respond due to delays and distances. Major supply chain distances and processing time delays may limit responsiveness.

According to Patel (2020), if a company wants to increase revenue, it should continue to care about customer satisfaction and most expanding organizations are more likely to put money ahead of customers. Customers are now highly sensitive to any service or product offered to them; therefore, it is crucial for organizations to assess the needs and desires of all

customers. In this context, this study focuses on customer responsiveness because of the favorable impact on customer satisfaction from the customer's perspective through express service performance. When a service is provided according to the customer's point of view and expectations, it leads to a favorable evaluation of the service process and thus the overall satisfaction with the service interaction. Siddiqi (2011) argues that customer satisfaction is influenced by the responsiveness component of service quality.

*H*₂: There is a significant relationship between responsiveness and customer satisfaction.

2.4.3 Relationship Between Empathy and Customer Satisfaction

El Saghier and Nathan (2013) stated that companies that encourage their employees to show empathy for their customers can increase consumer loyalty and satisfaction. Empathy refers to a company's caring and personalized attention to its customers. It requires personal attention for customers and representatives who understand their needs and provide services during working hours. According to Khan and Fasih (2014), empathy is the ability of a service delivery organization to focus on specific customer problems and needs and then successfully resolve these difficulties. Khan and Fasih (2014) also proposed that empathy is defined as the way in which a company accepts responsibility to resolve difficulties encountered by consumers on an individual or collective level. This component of service quality is identified through the personal aspect of service quality (Kaura et al., 2012).

Customer satisfaction has also been found to be related to the role of empathy. According to Ganguli and Roy (2011), there is a significant relationship between empathy and customer satisfaction. He also learned that without empathy, customers will continue to be

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dissatisfied with the level of service provided. However, in the 1990s, the ability of courier services increased, leading to increased customer satisfaction and trust (Yang et al., 2012). This component will greatly contribute to the long-term customer relationship of the company. S. Alnsour et al. (2014) stated that consumers acknowledge the service provider's attention to their requirements and care by expressing more satisfaction with the service.

According to Wieseke et al. (2012), empathy promotes an emotional bond between the customer and the service provider, which encourages the customer to do business with the organization. Karatepe (2011) says that there is a favorable link between empathy and customer happiness. He saw that empathy may easily gain customer loyalty. The value of empathy can be expressed in terms of service quality, customer loyalty and satisfaction. Thus, the service environment has a strong influence on empathy and service reliability (Karatepe, 2011). This dimension is also aided by the human factor in service excellence (Kaura et al., 2012).

According to Kasiri et al. (2017), employee empathy leads to happy, positive word of mouth from customers and ultimately to brand loyalty. Employee empathy has the ability to develop or destroy a brand, while employees who demonstrate empathy in these daily interactions provide better service and thus are more satisfied. Regarding to Giovanis and Athanasopoulou (2018) and Vera and Trujillo (2017), consumer satisfaction is believed to predict long-term customer behavior; therefore, companies are trying to please their customers to prevent them from losing out to the competition.

 H_3 : There is a significant relationship between empathy and customer satisfaction.

2.4.4 Relationship Between Assurance and Customer Satisfaction

Assurance requires building reputation and trust in customers. According to Kobiruzzaman (2021), employees must have technical knowledge, communication skills, generosity, honesty, proficiency, and expertise for the company to gain the trust and credibility of its customers. The four characteristics that constitute the assurance component in courier services are competence, civility, trustworthiness, and security. According to Francis (2012), assurance refers to the service provider's ability to foster confidence and trust among its potential customers. As stated by Tuan and Linh (2014), recognizing that the secret to customer needs and wants is to constantly prioritize assurance, which has a significant impact on customer satisfaction. For example, employees show respect and courtesy to consumers when serving them.

This requires knowledgeable employees who are also courteous and able to make customers feel comfortable. Customers will have confidence in employees if they communicate with each other in a trustworthy manner. If workers treat customers with the utmost respect and get the necessary help from the business, they will be able to provide better service to the customers. Following that, customers will be satisfied with the services provided by the business.

 H_4 : There is a significant relationship between assurance and customer satisfaction.

2.4.5 Relationship Between Tangible and Customer Satisfaction

A service's tangible asset is its quality, which can be observed without having to pay for it. Companies can improve external consumer satisfaction by focusing on the "visible"

aspects of their services. Services are tangible, so customers' evaluation of the quality of the services they receive is based on a comparison of the tangible assets associated with those services. Due to the concept of tangibles, McDougall and Snetsinger (1990) considered industries such as courier services may be considered key to the study and application of service marketing. The tangible experience is the overall perception that customers have of the service provider, including the environment, people, surroundings, objects, and appearance (Shukri et al., 2020). These are important because they can help improve the overall reputation of the company.

The ability to guarantee fast service and service facilities is known as the guarantee of service. The sophistication of the distribution and collection facilities, the appearance of the courier, his or her manners and communication skills, and the courier's business skills are directly related to the quality of customer service. Therefore, the tangible assets of the courier service immediately affect the impression and mood of the customer at the time of pickup. If the expedited service can be improved in terms of tangible assets, consumers will feel more satisfied. Therefore, tangible assets can have some impact on consumer satisfaction.

 H_5 : There is a significant relationship between tangible and customer satisfaction.

2.5 RESEARCH FRAMEWORK

There are five of courier service quality that influence the customer satisfaction in Malaysia, which are reliability, responsiveness, empathy, assurance, and tangibles. The dependent variable (DV) and independent variable (IV) are shown in Figure 2.3.

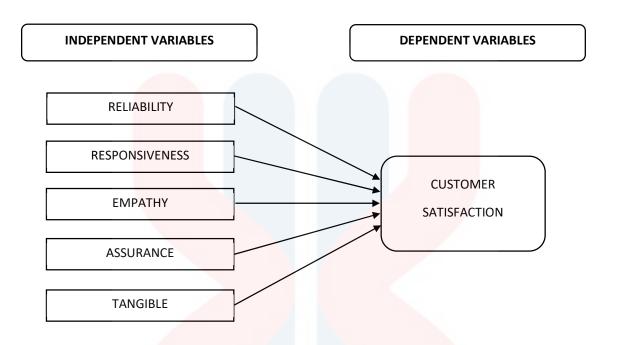


Figure 2.3: Research Framework

Figure 2.3 shows how the different aspects of service quality are linked to customer satisfaction. The research framework shows that there is a relationship between customer satisfaction and service quality. Ibrahim.H et al. (2016) stated that reliability means being able to meet expectations all the time, how an organization deals with customer service issues, doing the right thing the first time, delivering the service on time, and keeping a record of no errors. When it comes to courier services, reliability is measured by how accurately a package is transferred from one place to another. It can be said that customer satisfaction with the courier service will depend on how reliable the service is.

Responsiveness is described as the ability to quickly adapt to changes in customer demands. Responding to consumer inquiries and questions as quickly as possible is crucial, especially in today's fast-paced world (Brittany Klokkenga, 2020). When a courier service meets customer expectations, it encourages positive comments about the service encounter and

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consequently leads to overall satisfaction. It is concluded that responsiveness will be a factor in the customer's choice of courier service.

According to Niamh Reed (2018), empathy is the ability to recognize, understand, and share another person's emotions. Therefore, empathy in customer service entails identifying and validating the emotions of each customer. This empathy enables the courier to understand how the customer perceives the issue. The courier can understand how and why the customer's perspective and policies differ from their own. It can be concluded that empathy will play a role in the customer's well-being when choosing a courier service.

Larry Alton (2017) believes that assurance includes the processes conducted before and during the customer experience to ensure satisfaction. It involves ensuring that every product and/or service sold is of the highest quality and that the company brand can be relied upon to deliver the same level of excellence in every encounter. Consistently prioritizing assurance can have a significant impact on customer satisfaction, which is the key to recognizing customer needs and desires. Therefore, it can be assumed that customer satisfaction is influenced by assurance when selecting a courier service.

Moon (2013) claims that tangible are a physical tool used by companies to produce and carry out their work. Therefore, when a consumer picks up a package, the tangible of quick service will directly affect their impressions and attitudes. Customers may form an image that is easily recalled based on the supportive technology and the appearance of the staff serving

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them. Therefore, it can be concluded that tangible will influence whether a customer chooses a courier service.

2.6 SUMMARY

The conclusion of this literature review is to describe the impact of courier service quality on customer satisfaction in Malaysia. In this study, the independent variables explain five factors such as reliability, responsiveness, empathy, assurance and tangibles, while customer satisfaction is the dependent variable. In addition, this study will obtain a research hypothesis in this chapter. Finally, this chapter of this study highlights the research framework for future research among Malaysian citizens.

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CHAPTER 3: RESEARCH METHODS

3.1 INTRODUCTION

The methodology of this study includes a discussion of the methods applied to the study to analyze the factors that contribute to customer satisfaction with the courier service quality, and an explanation of the research design, data collection, study population, sample size, sampling techniques, research instruments and data analysis in this chapter.

3.2 RESEARCH DESIGN

According to McCombes (2019), a research design is a plan for answering a set of questions. It is a framework that includes the methods and procedures for collecting, analyzing, and interpreting data. In other words, the research design describes how the researcher will investigate the central question of the study and is therefore part of the research proposal.

This study will use a quantitative research method with the aim of exploring and understanding the correlation between the dependent variable (customer satisfaction of courier service quality) and the independent variables (reliability, responsiveness, empathy, assurance, and tangibles). In this study, the researcher will focus primarily on individuals between the ages of 15 and 60 who have experience using courier services as the unit of analysis. Additionally, the researcher will use questionnaires to study SERVQUAL theory and all questionnaires will be completed by the respondents through Google Forms.

3.3 DATA COLLECTION METHODS

In this study, primary data collection method will be chosen. The primary data will be collected from the respondents of different age groups in Malaysia. The researcher will collect a total of 384 questionnaires based on Krejcie and Morgan's Sample Size Determination Table.

3.3.1 Primary Data

In this study, the questionnaire will be used as the main tool to collect the primary data for this closed-ended questionnaire. This tool is the most suitable because it requires the least cost and time and does not require a high level of skill to conduct and transform the data analysis. The questionnaire will be construct in two languages, which are English and Malay.

3.4 POPULATION

The respondents of this study manage to focus on consumers who were currently and permanently residing in Malaysia and have experience in using courier services. According to the Department of Statistics Malaysia (2022), the population of Malaysia is 32.7 million. Therefore, there will be 32.7 million people as the target population for this study.

3.5 SAMPLE SIZE

Based on Krejcie and Morgan's table (1970), researchers determined the sample size for this study from the total population in Malaysia. Since the population size (N) of Malaysia is 32,743,530, which is more than the highest population size (N) in the table, the sample size will be 384 for this study.

Table 3.1: Krejcie and Morgan (1970)'s Sample Size Determination Table

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136 population size.	1100	285	1000000	384

3.6 SAMPLING TECHNIQUE

This study will use a purposive sampling technique. This technique, also referred to as selective or subjective sampling, relies on the judgment of the researcher in choosing who to invite to participate. Researchers may thus implicitly select a "representative" sample to meet their needs, or specifically reach individuals with certain characteristics. In this study, researchers will use purposive sampling techniques. The researchers will send Google Forms through

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social media such as Facebook, Instagram and WhatsApp. The target population is Malaysian consumers between the ages of 15 and 60 and who have experience using courier services.

3.7 RESEARCH INSTRUMENT DEVELOPMENT

The instrument that will be used to collect data for this study is a questionnaire. The sample will be collected from the users of courier services in Malaysia. The questionnaire is the best tool when the researcher involves a large number of respondents in different locations. In addition, the questionnaire is easy to handle when it takes a long time for the respondents to answer. Therefore, respondents' data can be easily collected, analyzed and standardized from the questionnaire and is straightforward information. The questions of the questionnaire will be presented according to the needs of the study, which are customer satisfaction with the quality of the courier service such as reliability, responsiveness, empathy, assurance and tangibles.

The type of questionnaire is a closed-ended questionnaire. A closed-ended questionnaire is a list of answer choices in the form of questions from which the respondent must choose to answer the questions. An example of a closed-ended questionnaire is the multiple-choice question widely used in quantitative research. It focuses mainly on the 3 objectives of the study. The constructed questionnaire consists of three parts, such as Section A, Section B and Section C.

All the questionnaire are adopted from the previous study by Yaacob, N. A. & Yaacob, T. Z. B. (2022), section A presents more demographic details of the respondents. The research

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questions in section A of the questionnaire were divided into six questions, namely gender, age, type of consumer, the courier that mostly use, type of shipping that use most often and frequency of using courier services. In section A, respondents were asked to select one question that was relevant to them.

Section B is about the relationship between customer satisfaction and courier service quality, which are the independent variables of this study, namely reliability, responsiveness, empathy, assurance and tangibility. Meanwhile, section C of the questionnaire is about the level of satisfaction of using courier service management. All questions in section B and C were closed-ended and answered on a Likert scale from strongly disagree to strongly agree on a continuum of 1 to 5. The correct number of scales helped the researcher answer the questions and minimized respondent burden and inconsistency. Respondents were asked to select a scale that they felt was appropriate for them. The points on the Likert scale were 1-strongly disagree, 2- disagree, 3-neutral, 4-agree, and 5-strongly agree. Researchers use a five-point Likert scale because this scale includes a middle point (neutral), which allows respondents to show their true neutral or indifferent views without being forced to agree or disagree (Chyung, S.Y., Roberts, K., Swanson, I., & Hankinson, A., 2017). A table of the Likert scale will be provided below.

Table 3.2: Likert Scale Table

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5

3.7.1 Pilot Test

According to the journal by Yaacob, N. A. & Yaacob, T. Z. B. (2022), this study will be pilot tested through a questionnaire survey. Questionnaires are the most practical, simple and economical method to identify population target groups. The prior preparation of the questionnaire will facilitate the analysis and interpretation of the data obtained and limit the variability of the results. In this study, the questionnaire will be administered to citizens between 15 and 60 years of age who have experience in using courier services.

In this study, the researcher will provide 30 questionnaires for a pilot test. After the pilot test, all data will be tested using the Statistical Package for Social Sciences (SPSS). If the Cronbach's Alpha coefficient of the 30 respondents is greater than 0.6, then the real survey can be conducted.

3.8 MEASUREMENT OF VARIABLE

Although there are some models commonly studied to assess service quality, such as SERVPERF (Cronin & Taylor, 1992) and Grönroos' model (Grönroos, 1984). However, based on the conceptual framework elaborated above, SERVQUAL, which was developed by Parasuraman et al. (1991), was eventually chosen to measure service quality in this study. SERVQUAL was chosen as the conceptual model for the study because it accurately detects the quality of service received by customers and it is measured based on the five service quality dimensions identified by Parasuraman et al. (1991). In addition, all five dimensions are measured by one multiple items, and each dimension is measured as follows.

Reliability	Fulfillment of the service promised to the users of the courier service.
Responsiveness	Mindfulness in helping customers by providing a detailed & effective service.
Empathy	Kindness and courtesy to customers.
Assurance	Intelligence and compassion of employees & their ability to inspire trust and confidence.
Tangibles	Equipment and facilities in courier service

3.9 PROCEDURE FOR DATA ANALYSIS

Statistical Package for Social Sciences (SPSS) will be used to study the data of 384 respondents. The SPSS software helped the researcher to test the hypotheses through various types of statistical tests. In order to analyze the data and find the correlation between the dependent variable and the five independent variables, this study will use descriptive analysis, Pearson correlation and multiple regression by distributing questionnaires to Malaysians. The data collected from the primary source of the questionnaire will be analyzed using quantitative methods. The use of SPSS software to analyze the data that has been collected is to facilitate the data analysis as it involves a large amount of data. SPSS also gives accurate decisions that can be implemented immediately. The use of SPSS can provide a result that can identify the dominant factors that affect the level of customer satisfaction. In addition, the use of SPSS can also provide the significant values of the factors and it can identify the factors that have a relationship between customer satisfaction and courier service quality among the users in Malaysia.

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Table 3.3: Data Analysis Method for Objectives

Objectives	Data Analysis Method
To identify the level of customer satisfaction on courier service quality in Malaysia.	Descriptive Analysis
To determine the relationship between service quality and customer satisfaction on courier service in Malaysia.	Pearson Correlation
To identify the most influence factor in SERVQUAL model towards customer satisfaction on courier service quality in Malaysia	Multiple Regression

3.9.1 Descriptive Analysis

Descriptive analysis is a situational analysis that can be condensed into meaningful data and provides demographics and responders as bar charts, bar graphs, or pie charts to illustrate variables. It quantifies the mean, variance, and standard deviation of the given data, detects central tendencies, and describes underlying traits. In this section, respondents had been asked to provide information about their gender, age, type of consumer, the courier that mostly use, type of shipping that use most often and frequency of using courier services. Thus, descriptive statistics help to achieve the study objectives by providing some assessment of the responses.

3.9.2 Reliability Analysis

In this study, the alpha reliability of the dependent and independent variables will be used to determine their variable sizes and internal consistency. According to Huck (2011), reliability testing is crucial because it involves the consistency of the various parts of the measurement instrument. The following table shows Cronbach's Alpha coefficient value.

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Table 3.4: Cronbach's Alpha Coefficient Value

Alpha Coefficient Range	Strength
0.01 – 0.50	Unacceptable
0.51 - 0.60	Poor
0.61 – 0.70	Questionable
0.71 – 0.80	Acceptable
0.81 - 0.90	Good
0.91 – 1.00	Excellent

3.9.3 Normality Test

Normality tests are used to determine whether sample data are from a normally distributed population. There are two well-known tests for normality, the Kolmogorov-Smirnov test and the Shapiro-Wilk test, which are the most widely used methods for testing the normality of data. If the p-value is less than or equal to $0.05 (\le 0.05)$, it means the null hypothesis is rejected and the distribution is not normal. In contrast, a p-value greater than 0.05 (> 0.05) means that the null hypothesis is accepted and the distribution is normal.

3.9.4 Pearson Correlation

Pearson Correlation analysis was used to assess the linear correlation between two variables. Pearson Correlation analysis ranges between -1 and +1, and it reveals whether the association between two variables is positive or negative. If the data indicates a result of "+1", a perfect

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positive association exists between both variables; if the data indicates a result of "-1", a perfect negative association exists; and if the data indicates a result of "0", no relationship exists between them. In this study, the researchers used Pearson's Correlation coefficient to measure the relationship between customer satisfaction of courier service and the courier service quality in Malaysia.

Table 3.5: Pearson's Strength of Coefficient Relationship

Pearson Correlation	Strength of Correlation
± 0 to ± 0.20	Very Weak
$\pm 0.21 \text{ to } \pm 0.40$	Weak
$\pm 0.41 \text{ to } \pm 0.60$	Moderate
$\pm 0.61 \text{ to } \pm 0.80$	Strong
$\pm 0.81 \text{ to } \pm 1.00$	Very Strong

3.9.5 Multiple Linear Regression

Multiple linear regression is a regression model that estimates the relationship between a quantitative dependent variable and two or more independent variables using a straight line. Multiple linear regression allow researcher to use several variables at once to explain the variation in a continuous dependent variable. Multiple linear regression allows the researcher to use several variables at once to explain the variation in the continuous dependent variable and to isolate the unique effect of one variable on the continuous dependent variable, taking into consideration that other variables are also affecting it. In addition, multiple linear regression allows a mathematical equation to be written that tells the researcher the overall

effect of several variables and the unique effect of each variable on the continuous dependent variable.

3.10 SUMMARY

In a nutshell, this chapter provides an overview of the manner in which researchers conduct research. The main components include research design and instruments developed, population and sample size, sampling techniques, measurement of variables, data collection methods, and data analysis.



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CHAPTER 4: DATA ANALYSIS AND FINDINGS

4.1 INTRODUCTION

This chapter describes the results of the data conducted throughout the analysis of the impact of courier service quality on customer satisfaction in Malaysia. The data analysis was used to test whether the objectives of this study could be achieved. A total of 384 questionnaires were administered to citizens aged 15 to 60 years old who have experience in using courier services and a pilot test was conducted using 30 questionnaires to determine the reliability of the questionnaires. The collected data were analysed using the Statistical Package for Social Sciences.



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4.2 DEMOGRAPHIC PROFILE OF RESPONDENTS

4.2.1 Gender

Table 4.1: Gender of Respondents

	Frequency	Per centage Per centage
Female	227	59.1
Male	157	40.9

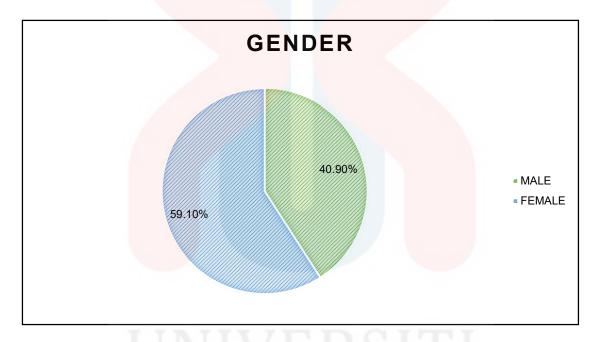


Figure 4.1: Gender of Respondents

Based on Table 4.1 and Figure 4.1, there are 157 male respondents and 227 female respondents which represent 40.90% and 59.10% from total of respondent respectively involved in the survey. This indicates that female is more likely to use courier services than male.



Table 4.2 Age of Respondents

	Frequency	Percentage
15 - 20 years old	57	14.8
21 - 30 years old	269	70.1
31 - 40 years old	44	11.5
41-50 years old	10	2.6
51 - 60 years old	4	1.0

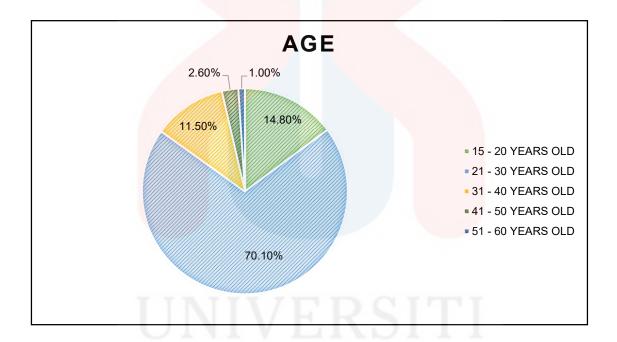


Figure 4.2: Age of Respondents

According to the above table and figure, the largest number of respondents were between the ages of 21 and 30, with 269 (70.10%). Besides, out of 384 respondents, 57 respondents (14.80%) were between 15 and 20 years old and 44 respondents (11.50%) were between 31 and 40 years old. While the least number of respondents were between 41 and 50 years old and 51 and 60 years old with 10 (2.60%) and 4 (1.00%) respectively.

4.2.3 Occupation

Table 4.3: Occupation

	Frequency	Percentage
Students	228	59.4
Self Employed	83	21.6
Government Sector	25	6.5
Public Sector	43	11.2
Others	5	1.3

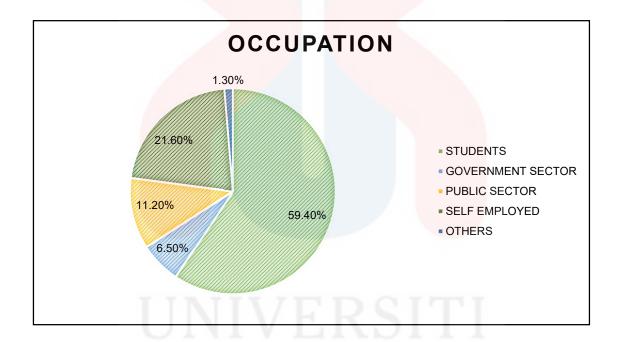


Figure 4.3: Occupation of Respondents

According to Table 4.3 and Figure 4.3, the largest number of respondents were students with 228 (59.40%). This was followed by self-employed with 83 respondents (21.60%). There were also 25 respondents working in the government sector and 43 respondents working in the public sector, representing 6.50% and 11.20% of this survey respectively. The least number of respondents belonged to other occupations, with 5 (1.30%).

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4.2.4 Type of Shipment

Table 4.4: Type of Shipment

	Frequency	Percentage
Parcel	317	82.6
Letter	42	10.9
Oversized Shipment	25	6.5

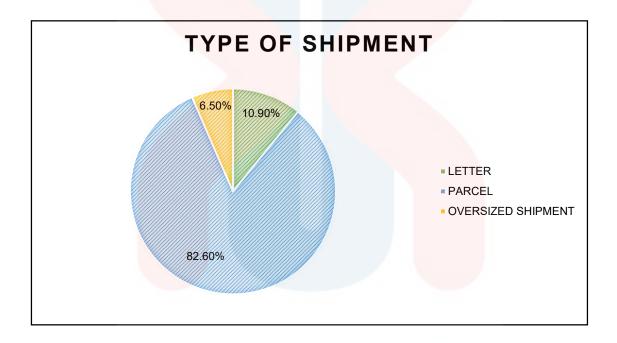


Figure 4.4: Type of Shipment

According to Table 4.4 and Figure 4.4, out of 384 respondents, 317 used parcel delivery, representing 82.60% of the respondents. This is followed by letter delivery with 42 respondents (10.90%). The least type of shipment was oversized shipments with only 25 (6.50%) respondents.



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4.2.5 Frequency of using Courier Services

Table 4.5: Frequency of using Courier Services

	Frequency	Percentage
1 - 5 times	221	57.6
6- 10 times	96	25.0
11 - 15 times	45	11.7
More than 15 times	22	5.7

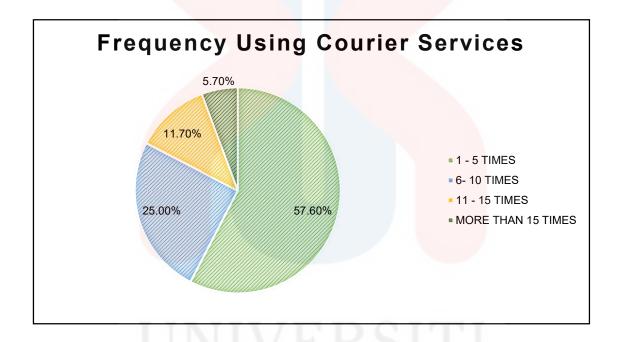


Figure 4.5: Frequency of using Courier Services

As shown in Table 4.5 and Figure 4.5, the highest frequency of using courier services was 1-5 times per month while the lowest was more than 15 times per month, which was 221 respondents (57.6%) and 22 respondents (5.7%), respectively. In addition, a total of 96 respondents (25.00%) indicated that they use courier services 6-10 times per month, while another 45 respondents indicated that they use courier services 11-15 times per month.

4.3 DESCRIPTIVE ANALYSIS

Descriptive statistical analysis is the summarization of data collection through numerical and graphical procedures in a clear and rational technique. The main purpose of applying descriptive statistics in research is to identify the essential aspects of information from the responses and to simplify large-scale data. In this study, descriptive statistics analysis was used to determine the mean of each variable. A total of 384 respondents participated in the questionnaire. The results showed that the mean and standard deviation of each question were based on the variables. The final results of the descriptive statistical analysis are presented below with a clear interpretation. The following table shows the mean scores with the level of satisfaction.

Table 4.6: Mean Score and the Level of Satisfaction

Mean Score	Leve <mark>l of Satisfa</mark> ction
1.00 – 1.80	Very Low (Strongly Disagree)
1.81 – 2.60	Low (Disagree)
2.61 – 3.40	Medium (Partially Agree)
3.41 – 4.20	High (Agree)
4.21 – 5.00	Very High (Strongly Agree)

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4.3.1 Descriptive Statistics for Dependent Variable and Independent Variable

Table 4.7: Descriptive Statistics for Dependent Variable and Independent Variable

	N	Mea <mark>n</mark>	Std. Deviation
Reliability	384	4.2406	.72148
Responsiveness	384	4.056 <mark>3</mark>	.88265
Empathy	384	4.01 <mark>77</mark>	.93624
Assurance	384	4.1531	.83619
Tangible	384	4.1969	.78177
Customer Satisfaction	384	4.1957	.79407

Table 4.7 shows descriptive statistics that explain the number of respondents, the mean and standard deviation of the dependent and independent variables. The dependent variable is customer satisfaction, while the independent variables are reliability, responsiveness, empathy, assurance and tangible. As shown in the table, all the dependent and independent variables scored above 4.0, which indicates that the respondents agreed that these variables will be the factors that influence the satisfaction of customers using courier services in Malaysia. In this study, reliability and empathy had the highest mean score of 4.2406 and the lowest mean score of 4.0177. The highest mean scores indicate that respondents agree that reliability is the most significant variable in this study, while empathy had the least effect on customer satisfaction. Then, the highest mean scores were tangible and customer satisfaction with 4.1969 and 4.1957, respectively. Meanwhile, assurance had a mean score of 4.1531 and responsiveness had a mean score of 4.0563.



4.3.2 Descriptive Statistics for Customer Satisfaction

Table 4.8: Descriptive Statistics for Customer Satisfaction

		Mean	Std. Deviation
1.	Courier service give a good service to their	4.21	.866
	customer to make sure customer feel safe in		
	using courier service.		
2.	Courier service always updated a tracking	4.21	.890
	number to their customer to make sure customer		
	know about deliver time and also inform a		
	customer when they reached customer house.		
3.	The price set is reasonable with the weight of	4.18	.946
	item or parcel.		
4.	Courier service provide the ease of tracking and	4.32	.844
	tracing items by internet and telephone.		
5.	Courier service always accurate deliver the	4.21	.891
	package to address of shipment.		
6.	Promptness of customer service to consumers'	4.08	.989
	complaint and resolution to the complaint.		
7.	Consideration and understanding of customer	4.17	.938
	service on consumers' advice and opinions.		

Table 4.8 shows the descriptive statistics for customer satisfaction. As shown in table 4.7, the total average mean of customer satisfaction is 4.1957. It indicated that the respondents satisfied with factors that affecting customer satisfaction. Question 4 score the greatest rate which making up to mean value 4.32 and followed by question 1, question 2 and question 5 with mean value 4.21 respectively. This indicates that these questions are the most influential compared to other questions as perceived by customers. Customers believe that the package tracking provided by the courier service on the Internet or over the phone is very convenient and allows them to know exactly when the package will arrive. Besides, customers can feel secure by

keeping track of the latest status of their packages. The lowest mean of customer satisfaction in the descriptive statistics was 4.08 (question 6). Respondents indicated that customer service and promptness in resolving complaints had an impact on them, but not significant compared to other issues.

Descriptive Statistics for Reliability

Table 4.9: Descriptive Statistics for Reliability

	Mean	Std. Deviation
Courier services provide service as promised to	4.24	.834
customer.		
Courier services delivery man deliver parcel on	4.08	.936
time.		
Courier services makes sure parcel deliver	4.30	.862
tracking status is updated to customer.		
Courier services delivery man inform or call	4.29	.879
when they reached the house to deliver a parcel.		
Courier service perform service right for	4.28	.821
customer.		
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	customer. Courier services delivery man deliver parcel on time. Courier services makes sure parcel deliver tracking status is updated to customer. Courier services delivery man inform or call when they reached the house to deliver a parcel. Courier service perform service right for	Courier services provide service as promised to 4.24 customer. Courier services delivery man deliver parcel on time. Courier services makes sure parcel deliver 4.30 tracking status is updated to customer. Courier services delivery man inform or call when they reached the house to deliver a parcel. Courier service perform service right for 4.28

According to Table 4.7, the total mean of reliability is 4.2406, which is the highest among the independent variables. This result proves that this variable is acceptable and most of the respondents agree that reliability is a factor that affects customer satisfaction with courier services in Malaysia. From Table 4.9, the mean values of reliability are 4.30, 4.29, 4.28, 4.24 and 4.08 for question 3, question 4, question 5, question 1 and question 2 respectively. Meanwhile, question 3 has the highest mean value of 4.30, which shows that most respondents strongly agree that reliability is a factor to be considered when using courier services.

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Customers believe that courier services ensure that parcel delivery tracking status is updated to customers is the most influential reliability.

4.3.4 Descriptive Statistics for Responsiveness

Table 4.10: Descriptive Statistics for Responsiveness

		Mean	Std. Deviation
1.	Courier service provide prompt services to	4.09	.953
	customers.		
2.	Courier services ready to help customers if	3.97	1.104
	customer have a problem.		
3.	Courier service responds to any inquiries from	4.01	1.040
	customers.		
4.	Courier service care about their customers.	3.9 <mark>6</mark>	1.047
5.	Delivery man of courier services always deliver	4.26	.869
	the right and actual parcel to customer.		

Table 4.10 shows the descriptive statistics for responsiveness and the total average mean of responsiveness is 4.0563 (Table 4.7). As shown in table above, question 5 score the greatest rate which making up to mean value 4.26 and followed by question 1, question 3, question 2 and question 4 with mean value 4.09, 4.01, 3.97 and 3.96 respectively. The higher value indicates that these questions are influential to customer satisfaction toward courier service in Malaysia. Customers perceive that courier services provide prompt service to customers and the delivery man always delivers the right and actual package to the customer is affecting customer satisfaction.

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4.3.5 Descriptive Statistics for Empathy

Table 4.11: Descriptive Statistics for Empathy

		Mean	Std. Deviation
1.	Customer service of courier service is caring in	4.09	.975
	serving their customers.		
2.	Courier service, postman and company give	4.00	1.025
	individual attention to customers.		
3.	Courier service delivery man and company	4.08	.969
	aware of the customers need.		
4.	Courier service delivery man and customer	3.99	1.087
	service are easy to communicate with when		
	dealing with delivery issues (late delivery,		
	damaged courier and lost item).		
5.	Customer service are always available 24 hours	3.93	1.163
	for customers.		

Table 4.11 shows the descriptive statistics for empathy. As shown in table 4.7, the total average mean of customer satisfaction is 4.0177, which is the lowest among the independent variables. It indicates that empathy has a small effect on customer satisfaction. Question 1 score the greatest rate which making up to mean value 4.09 and followed by question 3 and question 2 with mean value 4.08 and 4.00 respectively. This indicates that these questions are the most influential compared to other questions as perceived by customers. Customers think that courier service delivery man and company aware of the customers need is the most important. Besides, customers also believe that a caring customer service will have a great impact on customer satisfaction. The lowest mean of customer satisfaction in the descriptive statistics was 3.93 in question 5. Respondents indicated customer service available for 24 hours is less important to customer satisfaction.

4.3.6 Descriptive Statistics for Assurance

Table 4.12: Descriptive Statistics for Assurance

		Mean	Std. Deviation
1.	Courier staff is kind and supportive to customer	4.05	.989
2.	Delivery man of courier service assures	4.10	.969
	customer		
3.	Delivery man of courier service is polite	4.24	.828
4.	Delivery man of courier service has the	4.16	.916
	willingness to install confidence in customers		
5.	Customer feel safe in delivery their parcel with	4.22	.881
	courier		

According to table 4.7, the total mean of assurance is 4.1531. This result proves that this variable is acceptable and most of the respondents agree that assurance is a factor that affects customer satisfaction of courier services in Malaysia. From Table 4.12, the mean values of assurance for question 3, question 5, question 4, question 2 and question 1 are 4.24, 4.22, 4.16, 4.10 and 4.05 respectively. The assurance scores for all questions are above 4.0, which indicates that the respondents agree that these characteristics of courier services will be a factor that affects customer satisfaction in using courier services in Malaysia. Meanwhile, question 3 has the highest mean value of 4.24, which indicates that most respondents strongly agree that polite delivery man of courier services is a factor to be considered when using courier services.

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4.3.7 Descriptive Statistics for Tangible

Table 4.13: Descriptive Statistics for Tangible

		Mean	Std. Deviation
1.	Courier charge price reasonable, open and	4.1 <mark>0</mark>	.996
	transparent		
2.	Courier company's facilities advanced and	4.15	.927
	efficient		
3.	Courier staff dress code and the image of decent	4.22	.872
4.	Courier outlet is easy to find, good environment	4.27	.808
5.	Courier packaging professional and standard	4.24	.850

According to table 4.7, the total mean of tangible is 4.1957. This result proves that this variable is acceptable and most of the respondents agree that tangible is a factor that affects customer satisfaction of courier services in Malaysia. As shown in table 4.13, the mean values of tangible for all the question are above 4.0, which indicates that these questions are the most influential compared to other questions as perceived by customers. Question 4 score the greatest rate which making up to mean value 4.27 and followed by question 5 and question 3 with mean value 4.24 and 4.22 respectively. Such high mean values prove that customers believe that the location of the courier, packaging and the image of the staff have a significant impact on customer satisfaction. The lowest mean of tangible in the descriptive statistics was 4.10 in question 1. The respondents expressed that the reasonable, open and transparent price charged for courier is less important to customer satisfaction.



4.4 RELIABILITY

Table 4.14: Reliability Analysis for each Variable

	Cronbach's Alpha	N of Items
Reliability	.889	5
Responsiveness	.925	5
Empathy	.938	5
Assurance	.948	5
Tangible	.924	5
Customer Satisfaction	.948	7
All variables	.970	6

Table 4.14 shows the results of the reliability analysis based on a survey of 384 respondents in Malaysia. The overall result for these variables is 0.970, which is an excellent sign of the strength of association. This indicates that the overall variables are acceptable for this study. In other words, the questionnaire is reliable and can be used in this study. The Cronbach's alpha value for the dependent variable, which is customer satisfaction, showed 0.948, which is an excellent sign of the strength of association. For the independent variables, responsiveness, empathy, assurance, and tangibles have Cronbach's alpha values of 0.925, 0.938, 0.948, and 0.934, respectively. The Cronbach's alpha values for these variables are all above 0.9, which indicates that these variables are excellent signs of strength of association. While the Cronbach's alpha for reliability was 0.889, which is a good sign of association strength.

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4.5 NORMALITY TEST

Skewness and Kurtosis test is applied in this study to ensure the data collected to be normal distributed (Saunders, Lewis and Thornhil, 2012). Normality test is conduct to verify the normality of collected data in order to carry out the assumption of parametric test (Norman, 2010). Kline (2005) stated that the result of skewness test should be within the range ± 3 while the result of Kurtosis should be within the range of ± 10 .

Table 4.15: Analysis of Skewness and Kurtosis

904	.959
604	
604	440
705	182
711	191
771	.120
870	.383

As shown in Table 4.15, responsiveness has the biggest skewness value at -0.604 while reliability has the smallest skewness value at -0.904. Besides, the greatest kurtosis value is 0.959 for reliability while the smallest kurtosis value is -0.440 for responsiveness. The skewness test and kurtosis test of each variable is fall within the range of ± 3 and ± 10 respectively. Thus, the assumption of normality is met.



4.6 HYPOTHESES TESTING

Table 4.16: Pearson Correlation Analysis for each Variables

	Sig.	Pearson Correlation
Reliability & Customer Satisfaction	.000	.838
Responsiveness & Customer Satisfaction	.000	.808
Empathy & Customer Satisfaction	.000	.840
Assurance & Customer Satisfaction	.000	.899
Tangible & Customer Satisfaction	.000	.908

4.6.1 Hypothesis 1 – Reliability

Based on the Pearson correlation analysis in Table 4.16, the result shows that the correlation between reliability and customer satisfaction of using courier services in Malaysia is r=0.838. This result shows that the p-value is 0.000 which is less than 0.05, therefore, there is a significant relationship between reliability and customer satisfaction of using courier services in Malaysia. This also means that this result supports H₁ that there is a significant relationship between reliability and customer satisfaction.

 H_1 : There is a significant relationship between reliability and customer satisfaction.

4.6.2 Hypothesis 2 – Responsiveness

Based on the Pearson correlation analysis in Table 4.16, the result shows that the correlation between responsiveness and customer satisfaction of using courier services in Malaysia is r=0.808. This result shows that the p-value is 0.000 which is less than 0.05, therefore, there is

a significant relationship between responsiveness and customer satisfaction of using courier services in Malaysia. This also means that this result supports H₂ that there is a significant relationship between responsiveness and customer satisfaction.

 H_2 : There is a significant relationship between responsiveness and customer satisfaction.

4.6.3 Hypothesis 3 – Empathy

Based on the Pearson correlation analysis in Table 4.16, the result shows that the correlation between empathy and customer satisfaction of using courier services in Malaysia is r=0.840. This result shows that the p-value is 0.000 which is less than 0.05, therefore, there is a significant relationship between empathy and customer satisfaction of using courier services in Malaysia. This also means that this result supports H₃ that there is a significant relationship between empathy and customer satisfaction.

 H_3 : There is a significant relationship between empathy and customer satisfaction.

4.6.4 Hypothesis 4 – Assurance

Based on the Pearson correlation analysis in Table 4.16, the result shows that the correlation between assurance and customer satisfaction of using courier services in Malaysia is r=0.899. This result shows that the p-value is 0.000 which is less than 0.05, therefore, there is a significant relationship between assurance and customer satisfaction of using courier services in Malaysia. This also means that this result supports H₄ that there is a significant relationship between assurance and customer satisfaction.

 H_4 : There is a significant relationship between assurance and customer satisfaction.

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4.6.5 Hypothesis 5 – Tangible

Based on the Pearson correlation analysis in Table 4.16, the result shows that the correlation between tangible and customer satisfaction of using courier services in Malaysia is r=0.908. This result shows that the p-value is 0.000 which is less than 0.05, therefore, there is a significant relationship between tangible and customer satisfaction of using courier services in Malaysia. This also means that this result supports H₅ that there is a significant relationship between tangible and customer satisfaction.

 H_5 : There is a significant relationship between tangible and customer satisfaction.

4.7 MULTIPLE LINEAR REGRESSION

4.7.1 Model Summary

Table 4.17: Model Summary

Model	R	R Square	Adjusted R <mark>Square</mark>	Durbin-Watson
1	.938	.880	.878	1.956

According to table 4.22, the R-Square value is 0.880, which mean 88.0% of the variation in customer satisfaction can be explained by reliability, responsiveness, empathy, assurance and tangible. The adjusted R-Square is 87.80%. The Durbin-Watson statistic is used to test for the presence of serial correlation among the residuals. Durbin-Watson statistic is approximately 2 indicates no serial correlation. The Durbin-Watson statistics of 1.956 in this study is not too far from 2.



4.7.2 **ANOVA**

Table 4.18: ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	212.532	5	42.506	554.676	.000
	Residual	28.967	378	.077		
	Total	241.500	383			

The p-value from the ANOVA table is less than 0.001, which means that at least one of the five variables: reliability, responsiveness, empathy, assurance and tangible can be used to model customer satisfaction.

4.7.3 Coefficients

Table 4.19: Coefficients

		Standardized Coefficients (Beta)	t	Sig.
1	(Constant)		.010	.992
	Reliability	.231	6.773	.000
	Responsiveness	033	766	.444
	Empathy	.040	.812	.417
	Assurance	.326	6.467	.000
	Tangible	.426	10.200	.000

As shown in Table 4.24, the p-value for responsiveness was 0.444 and empathy was 0.417, which was greater than 0.05. Therefore, responsiveness and empathy were not a significant predictor of customer satisfaction. The p-values for reliability, assurance and tangibles were less than 0.001 (<0.05). Therefore, reliability, assurance, and tangibles were significant predictors.

For every unit increase in reliability, customer satisfaction is expected to increase by 0.254, provided the other variables remain unchanged. For every unit increase in assurance, customer satisfaction is expected to increase by 0.310, provided the other variables remain unchanged. For every unit increase in tangible, customer satisfaction is expected to increase by 0.432, provided the other variables remain unchanged.

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4.7.4 The Equation Model

$$\gamma = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \dots + \varepsilon$$

 β_0 = Parameter

 $x_2 = \text{Known Constants}$

 ε = Error terms

Where current equation of this research:

Customer Satisfaction = 0.001 + 0.254 (Reliability) + 0.310 (Assurance) +0.432 (Tangible)

$$= 0.997$$

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CHAPTER 5: DISCUSSION AND CONCLUSION

5.1 INTRODUCTION

This chapter will present the outcome of the study that been conclude relating with the research objective. Customer satisfaction not only is an important element in courier service quality but it also plays vital role in the service industry. The primary goal of this study is to ascertain if the dependent variable and independent factors correlate such as reliability, assurance, tangibility, empathy and responsiveness. As the part for discussion will be discuss the result, hypothesis relationship acceptance and the reason. In addition, the outcome of the study will be concluded and recommendation also been provided.

5.2 KEY FINDING

Based on the result being analysed in Chapter 4, the researcher will discuss precise in this chapter. The main objective of this research is to determine the relationship between dependent variable (customer satisfaction towards courier service quality in Malaysia) and independent variables (reliability, responsiveness, empathy, assurance and tangible). The researcher had been practiced frequency analysis, descriptive analysis, reliability analysis, normality test, Pearson correlation analysis and multiple linear regression analysis. All the analysis result was shown in table 4.1 until table 4.24.

From the 384 respondents, there are 227 of them are female respondents and the remaining 157 respondents are male. In terms of age group, the largest number of respondents was between 21 and 30 years old, with 269 respondents. In addition, out of 384 respondents, 57 respondents were between 15 and 20 years and 44 respondents were between 31 and 40

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years old. While the least number of respondents were between 41 and 50 years old and 51 and 60 years old with 10 and 4 respectively. In terms of occupational category, the least number of respondents belonged to other occupations with 5 and the most were students with 228. The next highest number was self-employed with 83. There were also 25 respondents working in the government sector and 43 respondents working in the public sector.

For type of shipment, 317 of the 384 respondents used parcel delivery. The next most frequent type is letter delivery with 42 respondents, and the least frequent type of shipment is oversized shipment with only 25 respondents. Lastly, the frequency of using courier services. The highest frequency of using courier services was 1-5 times per month, while the lowest was more than 15 times per month, with 221 respondents and 22 respondents respectively. In addition, a total of 96 respondents indicated that they used courier services 6-10 times per month, and another 45 respondents indicated that they used courier services 11-15 times per month.

5.3 DISCUSSION

As shown in Table 5.1, the p-values for reliability, assurance and tangibles were less than 0.001 (<0.05), which indicates a significant relationship between the dependent and independent variables. While the p-values for responsiveness and empathy are 0.444 and 0.417 respectively, which are greater than 0.05. This indicates that responsiveness and empathy are not significant predictors of customer satisfaction. Therefore, the relationship between customer satisfaction and responsiveness and empathy is not acceptable.

Table 5.1: Discussion of Hypothesis

Hypothesis	Coefficient's Sig.	Results
H ₁ :There is a significant relationship between	.000	Accepted
reliability and customer satisfaction.		
H ₂ :There is a sig <mark>nificant rela</mark> tionship between	.444	Not Accepted
responsiveness and customer satisfaction.		
H ₃ :There is a significant relationship between	.417	Not Accepted
empathy and customer satisfaction.		
H ₄ :There is a significant relationship between	.000	Accepted
the assurance and customer satisfaction.		
H ₅ :There is a significant relationship between	.000	Accepted
the tangible and customer satisfaction		

5.3.1 Hypothesis 1 – Reliability

According to Table 4.14, the result of Pearson Correlation shows that the correlation between reliability and customer satisfaction of using courier services in Malaysia is about 83.8% where the p-value is 0.001 which is lower than 0.05. This means that there is a strong positive relationship between reliability and customer satisfaction. From the multiple linear regression table in Table 4.19, the significant value is 0.001 which is lower than 0.05. This result indicates that the hypothesis is accepted and there is a significant relationship between reliability and customer satisfaction.

In this case, reliability influences customer satisfaction on courier service quality. In courier services, reliability is measured by the ability to deliver products from one place to

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another with precision. The reliability dimension in courier service quality mainly refers to the punctuality of the courier, the good condition of the transport and having a good schedule to ensure the systematic operation of the service. This can be measured from the condition of the desired item to the delivery time. The higher the reliability rating of a company by consumers, the higher the customer satisfaction.

5.3.2 Hypothesis 2- Responsiveness

According to Table 4.14, the result of Pearson Correlation shows that the correlation between responsiveness and customer satisfaction of using courier services in Malaysia is about 80.8% where the p-value is 0.001 which is lower than 0.05. This means that there is a strong positive relationship between responsiveness and customer satisfaction. From the multiple linear regression table in Table 4.19, the significant value is 0.444 which is greater than 0.05. This result indicates that the hypothesis is rejected and there is no relationship between responsiveness and customer satisfaction.

According to an earlier study by Al-Weshah et al. (2013), responsiveness time has the strongest correlation with customer satisfaction. Errors, system failures and other uncontrollable factors are not tolerated by couriers. They also do not accept "teething problems" with new shipments, systems, software, applications, and other technical defects that make customers perceive couriers as unresponsive. Couriers no longer have any excuse or reason to fail in customer response. Modern technology has brought multiple channels of communication and ways to serve customers. In order to take full advantage of these channels, couriers must hire employees who not only understand the value of customer responsiveness

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in their services, but also have the skills and attitude to consistently deliver top-notch solutions to their customers.

5.3.3 Hypothesis 3 - Empathy

According to Table 4.14, the result of Pearson Correlation shows that the correlation between empathy and customer satisfaction of using courier services in Malaysia is about 84.0% where the p-value is 0.001 which is lower than 0.05. This means that there is a strong positive relationship between empathy and customer satisfaction. From the multiple linear regression table in Table 4.19, the significant value is 0.417 which is greater than 0.05. This result indicates that the hypothesis is rejected and there is no relationship between empathy and customer satisfaction.

According to Khan and Fasih (2014), empathy refers to the ability of courier service companies to focus on specific customer requirements and problems before successfully solving them. Thus, empathy makes customers less satisfied with the work of the courier service because the courier service quality does not allow them to assist others in solving their difficulties. For example, courier services do not provide explanations of where the customer's package is and do not update the package's itinerary, resulting in a lack of empathy for the customer. Staff members who communicate with customers need to be polite, patient and positive. It is crucial to exhibit the best attitude possible. Staff need to be able to recognize the customer's expressions, body gestures and movements, providing staff with the opportunity to approach and help them.

5.3.4 Hypothesis 4 - Assurance

According to Table 4.14, the result of Pearson Correlation shows that the correlation between assurance and customer satisfaction of using courier services in Malaysia is about 89.9% where the p-value is 0.001 which is lower than 0.05. This means that there is a strong positive relationship between assurance and customer satisfaction. From the multiple linear regression table in Table 4.19, the significant value is 0.001 which is lower than 0.05. This result indicates that the hypothesis is accepted and there is a significant relationship between assurance and customer satisfaction.

Tuan and Linh (2014) stated that by being aware of and meeting the key to customer needs and wants can make a big impact on customer happiness. For example, employees provide services to customers by treating them with respect and courtesy. Customers' main concern is to find answers to their concerns. Documenting customer problems, recording the activities taken to solve them, and conducting polls on consumer satisfaction with the results are all part of quality assurance. A quality assurance system weighs high levels of reliability, competence and quality of delivery against customer happiness. Quality assurance is the most effective way to identify system problems and develop standards and processes to improve customer perceptions of delivery services.

5.3.5 Hypothesis 5- Tangible

According to Table 4.14, the result of Pearson Correlation shows that the correlation between tangible and customer satisfaction of using courier services in Malaysia is about 90.8% where the p-value is 0.001 which is lower than 0.05. This means that there is a very strong positive relationship between tangible and customer satisfaction. From the multiple linear

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regression table in Table 4.19, the significant value is 0.001 which is lower than 0.05. This result indicates that the hypothesis is accepted and there is a significant relationship between tangible and customer satisfaction.

Shukri et al. (2020) state that tangible experience refers to the overall customer perception of the service provider, which may include the surroundings, people, objects, and physical appearance. These are crucial as they have the potential to enhance the overall reputation of the business. Customers perceive that the courier service provides a quality service. For example, courier services charge realistic rates, are courteous, and offer discounts to repeat customers. Thus, tangibly providing a high level of customer satisfaction.

5.4 IMPLICATIONS OF THE STUDY

The issue involved in this study is to determine the relationship between the courier service quality and customer satisfaction in Malaysia. The target population of the researcher is Malaysian residents who are between the age of 15 and 60 years old and have experience in using courier services in Malaysia. The respondents that the researcher managed to conduct were 384 individuals who were selected based on purposive sampling technique.

5.5 LIMITATIONS OF THE STUDY

There are several limitations in the study. First, the honesty of the respondents. We appreciate those who took the time to answer our questions. However, some respondents did not really answer the questionnaire. They answered randomly without reading and understanding the

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questions. This is because they did not have time to focus on answering the questions and wanted to finish as quickly as possible. Besides that, there are other factors that may affect the customer satisfaction in using the courier service. The researchers only highlighted five dimensions of service quality, which include reliability, responsiveness, empathy, assurance, and tangibles. However, there are other factors that may affect customer satisfaction towards courier services in Malaysia, such as price, safety and security.

5.6 RECOMMENDATIONS FOR FUTURE RESEARCH

The study provides preliminary empirical evidence of customer satisfaction with service quality, including reliability, responsiveness, empathy, assurance, and tangibles. This can be used in the current findings to develop strategies to deepen and improve service quality. The current findings can be used to review and determine which policies or strategies achieve customer satisfaction. Future researchers can try to conduct research on another type of service in a different geographic area and measure other variables to gain new knowledge or findings. In addition, for future research, the impact of courier service quality may be influenced by customer satisfaction. Therefore, future researchers who intend to conduct research in this area should be aware of the above factors and may use them as a reference.

It is recommended that researchers use different independent variables, responsiveness and empathy in the SERVQUAL dimension for future studies. Besides, the researchers should also simplify the questionnaire and extend the time of data collection in order to collect authentic answers.

5.7 CONCLUSION

It is anticipated that our research has clarified things for everyone who shops online as well as those who do not. Perhaps the greatest way to persuade them to shop online is through this research. With this information, online shoppers can make informed decisions about delivery services and product quality. Therefore, it may help online retailers to improve the quality of their services to satisfy customers in Malaysia.

The main purpose of this study is to examine the relationship between the effect of courier service quality on customer satisfaction in Malaysia. Meanwhile, to indicate that there are independent variables were tested which reliability, responsiveness, empathy, assurance and tangible. In addition, all data collection was done through online questionnaire and the data was analysed using SPSS software based on descriptive analysis, reliability analysis, and Pearson correlation coefficient analysis. As a result, the relationship between the independent and dependent variables was positively correlated, and all independent variables had a strong relationship with the dependent variable. The results of the multiple regression analysis also showed that three independent variables (IV) reliability, assurance, and tangibility were less than 0.05, which was accepted, and two independent variables (IV) responsiveness and empathy were greater than 0.05, which was not accepted, as were the relationships between all independent and dependent variables. The objectives of this study have been achieved and the questions of this study have been answered. This study summarizes the main findings, discussions, implications, limitations, and recommendations in Chapters 4 and 5.

As the final sentence of this study, this study aims to outline the knowledge of measuring the impact of courier service quality on customer satisfaction in Malaysia. As a logistics student, it is important to be aware of the latest developments in the field of transportation and e-commerce. In addition, UMK's logistics students must be compared with students from UNIKL, UITM and other institutions. Therefore, UMK management could add more courses about the latest developments in the field of logistics and business.



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KELANTAN

APPENDIX A – DRAFT OF QUESTIONNAIRE



Dear Respondents,

We are undergraduate student from the program of Bachelor of Entrepreneurship (Logistic & Distributive Trade) with Honours in University Malaysia Kelantan. Currently we are involved in conducting research on "A Study on The Impact of Courier Service Quality on Customer Satisfaction in Malaysia" in order to complete our Final Year Project.

Therefore, we would like to invite you to help us to complete the questionnaire. The questionnaire is divided into three sections, namely Sections A, B, and C. The time will take is 5 to 10 minutes to answer all sections. We request your kind service to take the time to answer this questionnaire in order to help us to conduct this study. All information provided is confidential and each respondent will remain anonymous. This information will be used for academic purposes only. Your cooperation is highly appreciated.

Responden yang dihormati,

Kami merupakan pelajar sarjana muda dari program Sarjana Muda Keusahawanan (Logistik & Perdagangan Pengedaran) dengan Kepujian di Universiti Malaysia Kelantan. Pada masa ini kami terlibat dalam menjalankan penyelidikan mengenai " Kajian Terhadap Impak Kualiti Perkhidmatan Kurier Terhadap Kepuasan Pelanggan Di Malaysia" bagi menyiapkan Projek Tahun Akhir kami.

Oleh itu, kami ingin menjemput anda untuk membantu kami untuk melengkapkan borang soal selidik. Soal selidik terbahagi kepada tiga bahagian iaitu Bahagian A, B, dan C. Masa yang akan diambil ialah 5 hingga 10 minit untuk menjawab semua bahagian. Kami memohon jasa baik anda untuk meluangkan masa menjawab soal selidik ini bagi membantu kami menjalankan kajian ini. Semua maklumat yang diberikan adalah sulit dan setiap responden akan kekal tanpa nama. Maklumat ini akan digunakan untuk tujuan akademik sahaja. Kerjasama anda amat dihargai.

Jika terdapat sebarang keraguan, sila jangan teragak-agak untuk menghubungi kami.

Yang ikhlas,

Chia Hui Hui (A19A0099) 018 - 292 4990
Faisarah Binti Abdul Fattah (A19A0129) 017 - 621 4813
Muhammad Asraf Bin Mohd Yusri (A19A1167) 018 - 233 7157
Intanku Dayana Binti Ab Rahman (A20B1371) 011 - 5120 5574

SECTION A: DEMOGRAPHIC

BAHAGIAN A: DEMOGRAFIK

Ple	ase choose only ONE that relevant to you.
Silc	a pilih SATU sa <mark>haja yang b</mark> erkaitan dengan anda.
1.	Gender / Janti <mark>na</mark>
	Male / Lelaki Female / Perempuan
2.	Age / Umur
	15 – 20 years old / 15 – 20 tahun 21 – 30 years old / 21 – 30 tahun 31 – 40 years old / 31 – 40 tahun 41 – 50 years old / 41 – 50 tahun 51 – 60 years old / 51 – 60 tahun
3.	Type of Consumer / Jenis Pengguna
	Student / Pelajar Self Employed / Bekerja Sendiri Government Sector / Sektor Kerajaan Public Sector / Sector Awam Other / Lain-lain
4.	Which type of shipping you use most often? / Jenis penghantaran yang manakah paling kerap anda gunakan?
	Letter / Dokumen Parcel / Bungkusan Oversized Shipment / Penghantaran barang besar
5.	How many times did you used courier service in a month? / Berapa kali anda menggunakan perkhidmatan kurier dalam sebulan?
	1-5 times / 1-5 kali
	6 – 10 times / 6 – 10 kali
	11 – 15 times / 11 – 15 kali More than 15 times / Lebih dari 15 kali

SECTION B: RELATIONSHIP BETWEEN SERVICE QUALITY AND CUSTOMER SATISFACTION

BAHAGIAN B: HUBUNGAN ANTARA KUALITI PERKHIDMATAN DENGAN KEPUASAN PELANGGAN

The following statement below are related to the relationship between service qualities toward customer satisfaction provided by courier service company. For each statement, please rate honestly based on what your experienced in courier service during the pandemic using the following scales:

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

Pernyataan berikut di bawah <mark>adalah berkait</mark>an dengan hubungan antara kualiti perkhidmatan terhadap kepuasan pelanggan yang disediakan oleh syarikat perkhidmatan kurier. Untuk setiap penyata, sila nilaikan secara jujur berdasarkan pengalaman anda dalam perkhidmatan kurier semasa wabak menggunakan skala berikut:

1	2	3	4	5
Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree

RELIABILITY / KEBOLEHPERCAYAAN

		1	2	3	4	5
1.	Courier services provide a service as promised to customer. / Perkhidmatan kurier menyediakan perkhidmatan seperti yang dijanjikan kepada pelanggan.					
2.	Courier services delivery man deliver my parcel on time. / Penghantar perkhidmatan kurier menghantar bungkusan saya tepat pada masanya.	Ί	I			
3.	Courier services makes sure parcel deliver tracking status is updated to customer / Perkhidmatan kurier memastikan parcel menghantar status penjejakan kepada pelanggan					
4.	Courier services inform or call when they reached the house to deliver a parcel / Perkhidmatan kurier memaklumkan atau menelefon apabila mereka sampai ke rumah untuk menghantar bungkusan	L	A			
5.	Courier service perform a service right for the customer / Perkhidmatan kurier melaksanakan perkhidmatan yang betul untuk pelanggan	A]	N			

RESPONSIVENESS / TANGGUNGJAWAB

		1	2	3	4	5
6.	Courier service provide prompt services to customers / Perkhidmatan kurier menyediakan perkhidmatan cepat kepada pelanggan					
7.	Courier services ready to help customers if customer have a problem / Perkhidmatan kurier sedia membantu pelanggan jika pelanggan menghadapi masalah					
8.	Courier service responds to any inquiries from customers / Perkhidmatan kurier menjawab sebarang pertanyaan daripada pelanggan					
9.	Courier service care about their customers / Perkhidmatan kurier mengambil berat tentang pelanggan mereka					
10.	Delivery man of courier services always deliver the right and actual parcel to customer / Penghantar perkhidmatan kurier sentiasa menghantar bungkusan yang betul dan sebenar kepada pelanggan					

EMPATHY / EMPATI

	1	2	3	4	5
11. Customer service of courier service is caring in serving their customers / Perkhidmatan pelanggan perkhidmatan kurier prihatin dalam melayani pelanggan mereka					
12. Courier service, postman and company give individual attention to customers / Perkhidmatan kurier, posmen dan syarikat memberi perhatian perseorangan kepada pelanggan	П	I			
13. Courier service delivery man and company aware of the customers need / Penghantar, perkhidmatan kurier dan syarikat menyedari keperluan pelanggan	T	Λ			
14. Courier service delivery man and customer service are easy to communicate with when dealing with delivery issues (late delivery, damaged courier and lost item) / Penghantar perkhidmatan kurier dan khidmat pelanggan mudah dihubungi apabila menangani isu penghantaran (penghantaran lewat, kurier rosak dan barang hilang)		V			
15. Customer service are always available 24 hours for customers / Perkhidmatan pelanggan sentiasa tersedia 24 jam untuk pelanggan					

ASSURANCE / JAMINAN

	1	2	3	4	5
16. Courier staff is kind and supportive to customer / Kakitangan kurier baik dan menyokong terhadap pelanggan					
17. Delivery man of courier service assures customer / Penghantar perkhidmatan kurier memberi jaminan kepada pelanggan					
18. Delivery man of courier service is polite / Penghantar perkhidmatan kurier adalah sopan					
19. Delivery man of courier service has the willingness to install confidence in customers / Penghantar perkhidmatan kurier mempunyai kesediaan untuk memberi keyakinan pada pelanggan					
20. Customer feel safe in delivery their parcel with courier / Pelanggan berasa selamat dalam penghantaran bungkusan mereka dengan kurier					

TANGIBLE / KETARA

	1	2	3	4	5
21. Courier charge price reasonable, open and transparent / Harga caj kurier berpatutan, terbuka dan telus					
22. Courier company's facilities advanced and efficient / Kemudahan syarikat kurier canggih dan cekap		77			
23. Courier staff dress code and the image of decent / Kod pakaian kakitangan kurier dan imej yang baik	1	T			
24. Courier outlet is easy to find, good environment/ Kedai kurier mudah dijumpai, persekitaran yang baik		Α			
25. Courier packaging professional and standard / Pembungkusan kurier profesional dan standard	L	A			

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SECTION C: THE LEVEL OF SATISFACTION OF USING COURIER SERVICE MANAGEMENT

BAHAGIAN C: TAHAP KEPUASAN MENGGUNAKAN PENGURUSAN PERKHIDMATAN KURIER

This section was asked to rate the level of satisfaction of using courier service. The respondents must give their feedback and true perception by answering the question stated based on the scale given.

Bahagian ini dimi<mark>nta menilai</mark> tahap kepuasan menggunakan per<mark>khidmatan k</mark>urier. Responden hendaklah membe<mark>rikan maklum</mark> balas dan persepsi sebenar mereka dengan menjawab soalan yang dinyatakan berdasarkan skala yang diberikan.

CUSTOMER SATISFACTION / KEPUASAN PELANGGAN

		1	2	3	4	5
1.	Courier service give a good service to their customer to make sure customer feel safe in using courier service / Perkhidmatan kurier memberikan perkhidmatan yang baik kepada pelanggan mereka untuk memastikan pelanggan berasa selamat menggunakan perkhidmatan kurier					
2.	Courier service always updated a tracking number to their customer to make sure customer know about deliver time and also inform a customer when they reached customer house / Perkhidmatan kurier sentiasa mengemas kini nombor penjejakan kepada pelanggan mereka untuk memastikan pelanggan mengetahui tentang masa penghantaran dan juga memaklumkan pelanggan apabila mereka tiba di rumah pelanggan					
3.	The price set is reasonable with the weight of item or parcel / Harga yang ditetapkan adalah berpatutan dengan berat barang atau bungkusan		I			
4.	Courier service provide the ease of tracking and tracing items by internet and telephone / Perkhidmatan kurier menyediakan kemudahan pengesanan dan pengesanan barangan melalui internet dan telefon	I	Ą			
5.	Courier service always accurate deliver the package to address of shipment / Perkhidmatan kurier sentiasa tepat menghantar pakej ke alamat penghantaran		\ T			
6.	Promptness of customer service to consumers' complaint and resolution to the complaint / Kepantasan perkhidmatan pelanggan kepada aduan pengguna dan penyelesaian kepada aduan	<i>A</i> .	. \			

T T

7.	Consideration and understanding of customer service on			
	consumers' advice and opinions / Pertimbangan dan			
	pemahaman perkhidmatan pelanggan atas nasihat dan			
	pendapat pengguna			

END OF QUESTION

~ THANK YOU ~

~ TERIMA KASIH ~

UNIVERSITI MALAYSIA KELANTAN

APPENDIX B – GANTT CHART

PPTA 1

NO.	ITEMS	W1	W2	W3	W4	W5	W6	W7
	Selection of Research Title							
CHAI	PTER 1				<u>'</u>		<u> </u>	
1.1	Background of Study			- 7				
1.2	Courier Service Sector in Malaysia							
1.3	Problem Statement							
1.4	Research Question							
1.5	Research Objective							
1.6	Scope of Study							
1.7	Significant of Study							
1.8	Definition of Term							
CHAI	PTER 2							
2.1	Introduction							
2.2	Underpinning Theory							
2.3	Customer Satisfaction on Courier Service Quality	U						
2.4	Service Quality							
2.5	Research Framework							
2.6	Summary							
CHAI	PTER 3		'	<u>'</u>				
3.1	Introduction							
3.2	Research Design		\Box	OT		T		
3.3	Data Collection Methods			\supset \Box				
3.4	Population							
3.5	Sample Size							
3.6	Sampling Technique							
3.7	Research Instrument Development	A	\ 7	0	T /			
3.8	Measurement of Variable	A	Y		<i> </i> -	\		
3.9	Procedure for Data Analysis							
3.10	Summary							

KELANTAN

PPTA 2

NO.	ITEMS	W8	W9	W10	W11	W12	W13	W14
	Create Google Form							
	Collect Data							
CHA	PTER 4							
4.1	Introduction							
4.2	Demographic Profile of Respondents							
4.3	Descriptive Analysis							
4.4	Reliability Analysis							
4.5	Normality Test							
4.6	Hypothesis Testing							
4.7	Multiple Linear Regression							
CHA	PTER 5							
5.1	Introduction							
5.2	Key Findings							
5.3	Discussion							
5.4	Implications of the Study							
5.5	Limitations of the Study							
5.6	Recommendation for future research							
5.7	Conclusion							
FULI	L REPORT			/				
	E – Poster							
	E – Poster Presentation							
	Research Paper							

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APPENDIX C – SPSS RESULTS

Table C.1: Gender of Respondents

			Gender		
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	227	59.1	59.1	59.1
	Male	157	40.9	40.9	100.0
	Total	384	100.0	100.0	

Table C.2: Age of Respondents

Age						
		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	15 - 20 years old	57	14.8	14.8	14.8	
	21 - 30 years old	269	70.1	70.1	84.9	
	31 - 40 years old	44	11.5	11.5	96.4	
	41-50 years old	10	2.6	2.6	99.0	
	51 - 60 years old	4	1.0	1.0	100.0	
	Total	384	100.0	100.0		

Table C.3: Occupation of Respondents

	Type of Consumer							
		Frequency	Percent	Valid Percent	Cumulative Percent			
Valid	Government Sector	25	6.5	6.5	6.5			
	Others	5	1.3	1.3	7.8			
	Public Sector	43	11.2	11.2	19.0			
	Self Employed	83	21.6	21.6	40.6			
	Students	228	59.4	59.4	100.0			
	Total	384	100.0	100.0				

Table C.4: Type of Shipment

Which type of shipping you use most often?							
		Frequency	Percent	Valid Percent	Cumulative Percent		
Valid	Letter	42	10.9	10.9	10.9		
	Oversized Shipment	25	6.5	6.5	17.4		
	Parcel	317	82.6	82.6	100.0		
	Total	384	100.0	100.0			

Table C.5: Frequency of using Courier Services

	How many times did you used courier service in a month?							
		Frequency	Percent	Valid Percent	Cumulative Percent			
Valid	1 - 5 times	221	57.6	57.6	57.6			
	11 - 15 times	45	11.7	11.7	69.3			
	6- 10 times	96	25.0	25.0	94.3			
	More than 15 times	22	5.7	5.7	100.0			
	Total	384	100.0	100.0				

Table C.6: Descriptive Statistics for Dependent and Independent Variable

Descriptive Statistics					
	N	Mean	Std. Deviation		
Mean Reliability	384	4.2406	.72148		
Mean Responsiveness	384	4.0563	.88265		
Mean Empathy	384	4.0177	.93624		
Mean Assurance	384	4.1531	.83619		
Mean Tangible	384	4.1969	.78177		
Mean Dependent Variable	384	4.1957	.79407		
Valid N (listwise)	384	Y	II A		

Table C.7: Descriptive Statistics for Customer Satisfaction

Descri	ptive Stat	istics	
	N	Mean	Std. Deviation
Courier service give a good service to their customer to make sure customer feel safe in using courier service	384	4.21	.866
Courier service always updated a tracking number to their customer to make sure customer know about deliver time and also inform a customer when they reached customer house	384	4.21	.890
The price set is reasonable with the weight of item or parcel	384	4.18	.946
Courier service provide the ease of tracking and tracing items by internet and telephone	384	4.32	.844
Courier service always accurate deliver the package to address of shipment	384	4.21	891
Promptness of customer service to consumers' complaint and resolution to the complaint	384	4.08	.989
Consideration and understanding of customer service on consumers' advice and opinions	384	4.17	.938
Valid N (listwise)	384	*~	

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Table C.8: Descriptive Statistics for Reliability

	N	Mean	Std. Deviation
Courier services provide a service as promised to customer.	384	4.24	.834
Courier services delivery man deliver my parcel on time.	384	4.08	.936
Courier services makes sure parcel deliver tracking status is updated to customer.	384	4.30	.862
Courier services delivery man inform or call when they reached the house to deliver a parcel.	384	4.29	.879
Courier service perform a service right for the customer	384	4.28	.821
Valid N (listwise)	384		

Table C.9: Descriptive Statistics for Responsiveness

	N	Mean	Std. Deviation
Courier service provide prompt services to customers	384	4.09	.953
Courier services ready to help customers if customer have a problem	384	3.97	1.104
Courier service responds to any inquiries from customers	384	4.01	1.040
Courier service care about their customers	384	3.96	1.047
Delivery man of courier services always deliver the right and actual parcel to customer	384	4.26	.869
Valid N (listwise)	384		

Table C.10: Descriptive Statistics for Empathy

	N	Mean	Std. Deviation
Customer service of courier service is caring in serving their customers	384	4.09	.975
Courier service, postman and company give individual attention to customers	384	4.00	1.025
Courier service delivery man and company aware of the customers need.	384	4.08	.969
Courier service delivery man and customer service are easy to communicate with when dealing with delivery issues (late delivery, damaged courier and lost item)	384	3.99	1.087
Customer service are always available 24 hours for customers	384	3.93	1.163
Valid N (listwise)	384		

Table C.11: Descriptive Statistics for Assurance

	N	Mean	Std. Deviation
Courier staff is kind and supportive to customer	384	4.05	.989
Delivery man of courier service assures customer	384	4.10	.969
Delivery man of courier service is polite	384	4.24	.828
Delivery man of courier service has the willingness to install confidence in customers	384	4.16	.916
Customer feel safe in delivery their parcel with courier	384	4.22	.881
Valid N (listwise)	384		NIN

Table C.12: Descriptive Statistics for Tangible

	N	Mean	Std. Deviation
Courier charge price reasonable, open and transparent	384	4.10	.996
Courier company's facilities advanced and efficient	384	4.15	.927
Courier staff dress code and the image of decent	384	4.22	.872
Courier outlet is easy to find, good environment	384	4.27	.808
Courier packaging professional and standard	384	4.24	.850
Valid N (listwise)	384		

Table C.13: Reliability Analysis for Reliability

Reliability S	Statistics
Cronbach's Alpha	N of Items
.889	5

Table C.14: Reliability Analysis for Responsiveness

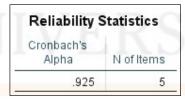


Table C.15: Reliability Analysis for Empathy

Reliability S	Statistics
Cronbach's Alpha	N of Items
.938	5

Table C.16: Reliability Analysis for Assurance

Reliability S	Statistics
Cronbach's Alpha	N of Items
.948	5

Table C.17: Reliability Analysis for Tangible

Reliability 9	Statistics
Cronbach's Alpha	N of Items
.924	5

Table C.18: Reliability Analysis for Customer Satisfaction

Reliability S	Statistics
Cronbach's Alpha	N of Items
.948	7

Table C.19: Analysis of Skewness and Kurtosis

Statistics								
		Reliability	Responsiven ess	Empathy	Assurance	Tangible	Customer Satisfaction	
Ν	Valid	384	384	384	384	384	384	
	Missing	issing 0		0	0	0	(
Skewne	ess	904	604	705	711	771	870	
Std. Err	or of Skewness	.125	.125	.125	.125	.125	.125	
Kurtosi	S	.959	440	182	191	.120	.383	
Std. Err	or of Kurtosis	.248	.248	.248	.248	.248	.248	



Table C.20: Pearson Correlation Analysis for Each Variables

		Reliability	Responsiven ess	Empathy	Assurance	Tangible	Customer Satisfaction
Reliability	Pearson Correlation	1	.812**	.777**	.802**	.801**	.838
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	384	384	384	384	384	384
Responsiveness	Pearson Correlation	.812**	1	.891**	.840**	.807**	.808**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	384	384	384	384	384	384
Empathy	Pearson Correlation	.777**	.891**	1	.899**	.837**	.840
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	384	384	384	384	384	384
Assurance	Pearson Correlation	.802**	.840**	.899**	1	.891**	.899*
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	384	384	384	384	384	384
Tangible	Pearson Correlation	.801**	.807**	.837**	.891**	1	.908
	Sig. (2-tailed)	.000	.000	.000	.000		.000
	N	384	384	384	384	384	384
Customer Satisfaction	Pearson Correlation	.838**	.808**	.840**	.899**	.908**	19
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	384	384	384	384	384	384

Table C.21: Model Summary

				Model S	ummary ^b				
						Char	nge Statistic	s	
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
1	.938ª	.880	.878	.27683	.880	554.676	5	378	.000

Table C.22: ANOVA

		A	NOVA			
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	212.532	5	42.506	554.676	.000 ^b
	Residual	28.967	378	.077		
	Total	241.500	383	TTTA	TA.T	

a. Dependent Variable: Mean Dependent Variable

b. Predictors: (Constant), Mean Tangible, Mean Reliability, Mean Responsiveness, Mean Empathy, Mean Assurance

Table C.23: Coefficient

			Coe	efficients ^a				
Model		Unstandardized Coefficients B Std. Error		Standardized Coefficients Beta	t	Sig.	95.0% Confidence Interval f	
1	(Constant)	.001	.088		.010	.992	172	.174
	Mean Reliability	.254	.038	.231	6.773	.000	.180	.328
	Mean Responsiveness	030	.039	033	766	.444	107	.047
	Mean Empathy	.034	.042	.040	.812	.417	049	.117
	Mean Assurance	.310	.048	.326	6.467	.000	.216	.404
	Mean Tangible	.432	.042	.426	10.200	.000	.349	.516

