

**THE EFFECTS OF SERVICE QUALITY ON CUSTOMER SATISFACTION:
A CASE OF TANZANIA RAILWAYS CORPORATION IN TANZANIA**

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REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS
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CERTIFICATION

The undersigned certifies that she has read and hereby recommends for acceptance by the Open University of Tanzania a dissertation titled "**The Effects of Service Quality on Customer Satisfaction. A case of Tanzania Railways Corporation (TRC) in Tanzania.**" In partial fulfillment of the requirements for the award of degree of Master of Business Administration of The Open University of Tanzania.

.....

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.....

Signature

.....

Date

DEDICATION

This work is dedicated to my in loving memory of my late mother.

ACKNOWLEDGEMENT

First of all, I'd like to thank the Lord God Almighty who made it all happen, for giving me strength, wisdom and protecting me during the entire period of my studies. Glory is to the God alone. The completion of this study owes much acknowledgement to some valuable guidance and constructive contributions I received from many people with whom I had useful discussions concerning the subject of the study. I am grateful to all of them. As it is difficult to mention everyone, I should say that all of them deserve my sincere gratitude. I express my deepest appreciation to my Supervisor Dr. Asha Katamba for her guidance, encouragement and constructive criticism towards the completion of this study.

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ABSTRACT

The study sought to examine the effects of service quality to customer satisfaction for Tanzania Railways Corporation (TRC) Ltd in Tanzania. The study specifically sought to determine the effect of customer trust, service quality, and product price and finally brand image on customer satisfaction to travelers and transporters using TRC. Fishers' formula was used to obtain the number of the respondents (255). Sampling techniques used was simple random sampling. Data was collected from correctly filled questionnaires and was coded, tabulated and analyzed using SPSS version 22 using descriptive statistics inferential statistics. The study results indicated that service quality was a statistically significant predictor of customer satisfaction. It was concluded that the company offered easy accessibility of its services, company offered good customer service that the company had reliable services and acted promptly to any queries. The study led to conclusion that the company had effective ways to help its customers know its pricing policies of services. The study recommends that transporters need to pay extra attention to service quality and offer customer-oriented services to increase customer satisfaction, in turn influencing customer loyalty.

Keywords: *Customer trust, service quality, product price, brand image*

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LIST OF ABBREVIATIONS

EARH	East African Railways and Harbors
GOT	Government of Tanzania
HRM	Human Resource Management
NRZ	National Railways of Zimbabwe
PSRC	Presidential Parastatals Sector Reform Commission
RAHCO	Reli Assets Holding Company
UTES	Rail India Technical and Economic Services
SERVQUAL	Service Quality
SPSS	Statistical Package for Social Sciences
TRC	Tanzania Railways Corporation
TRL	Tanzania Railways Limited

CHAPTER ONE

INTRODUCTION

1.1 Overview

This chapter provides the background information and statement of the research problem of study. It provides the objectives of the study, significance of the study and the scope of the study. It also highlights the organization of the study.

1.2 Background to the Study

Every customer wish to see that service is delivered by qualified and competent employees of a firm blended with quality. However, it is so challenging to provide service quality in a service company. Service quality has been examined as a determinant of customer satisfaction. Satisfaction from service quality is mostly assessed in terms of technical quality and functional quality (Gronroos,2016). However, customers do not have a lot of information concerning the technical facet of a service; hence, functional quality is a major aspect to form perceptions of service quality.

Service quality can be defined as customer perception of how well a service meets or exceeds the expectations. Service quality can be measured in terms of customer perception, customer expectation, customer satisfaction, and customer attitude (Sachdev and Verma, 2014). Service quality denotes the evaluation of service quality which command customer satisfaction. This study is an attempt to put forth the Railway the factors influencing service quality to customers. The Research study will

be done to examine the factors influencing the service quality and its impacts on customer satisfaction in context of railway services, with special reference to Tanzania Railway Limited.

The World Bank proposed the idea of occasioning of state-owned enterprises to release the burden of the government (Phipps, 2009). For this case therefore, the Government of Tanzania (GOT) established a Presidential Parastatals Sector Reform Commission (PSRC) to work on the privatization of state-owned enterprises. By mid-1997 PSRC initiated the task of privatization of Tanzania Railways Corporation (TRC). The aim of the privatization was creation of company which will provide efficient and cost-effective service to the customers without subsidy from the government (Phipps, 2009).

Tanzania Railways Limited (TRL) formerly known as Tanzania Railways Corporation (TRC) is a state-owned enterprise that came into existence after the dissolution of the East African Railways and Harbors Corporation (EARH) in 1977 and its assets divided between Kenya, Tanzania and Uganda. Tanzania has two inland Railway lines that link the coast and the hinterland which were built when the country was under the German colonial rule. The main line (Central Line) runs from Dar Es Salaam to Kigoma with a branch to Lake Victoria while the minor line runs from Tanga to Arusha. TRL runs these two Tanzanian inland railway networks that are estimated to be totaling more than 2,600 kilometers with a meter gauge of 1,000 mm (3 ft 3 3/8 in) (Phipps, 2009).

1.3 Statement of the Research Problem

Tanzania Railway Employees challenges on service quality delivery has to be traced back even before privatization, during privatization and after privatization. Tanzania Railway employees are facing challenges on service quality delivery as a result of general declining state of infrastructures, massive retrenchments and increase infrequency of locomotive failures (Phipps, 2019). However, Tanzanian Railways' case is not an exceptional scenario. Available literature and existing facts suggest that the pre assumed performance benefits of privatization strategy has failed to improve the riches of Tanzania Railways Limited.

Bitner, (1992) suggesting on the impact of physical surroundings on customers and employees since service is always “produced and consumed simultaneously, the consumer is in the factory experiencing the total service within the firm’s physical facility and this has strong impact on customers’ perceptions of the service experience”. For this case therefore, Bitner, (1992) continues that “in interpersonal services case, special consideration must be given to the effects of the physical environment on the nature and quality of the social interaction between and among customers and employees”.

Boulding *et al*, (1993) claims that “perceptions of the dimensions of service quality are viewed to be a function of a customer’s prior expectations of what will and what should transpire during a service encounter, as well as the customer’s most recent contact with the service delivery system”.

Furthermore, Boukis *et al.*, (2015) put great emphasis on the linking of internal marketing with customer outcomes. The internal marketing includes strategies that favor the adoption of a customer-oriented culture between managers and other employees to achieve competitive advantage in the market.

1.4 Research Objectives

1.4.1 General Objective

To examine the effects of service quality on customer satisfaction in Tanzania Railway Company Limited.

1.4.2 Specific Objectives

- i) To examine the effects of reliability on customer satisfaction.
- ii) To analyze the effects of assurance on customer satisfaction
- iii) To examine the effects of tangibility on customer satisfaction
- iv) To analyze the effects of empathy on customer satisfaction
- v) To examine the effects of responsiveness on customer satisfaction

1.5 Research Hypothesis

H1: Reliability has positive effects on customer satisfaction.

H2: Assurance has positive effects on customer satisfaction.

H3: Tangibility has positive effects on customer satisfaction.

H4: Empathy has positive effects on customer satisfaction.

H5: Responsiveness has positive effects on customer satisfaction.

1.6 Significance of the Study

First, the research is usefully to the public as it will offer information to all Railway Companies regarding Railway customers satisfaction using service quality. Second, the research will offer some insights to the validity of some theories and common thoughts on privatization, challenges and employees' performance. Third, the research will be usefully to the academia and students of business management in particular. The research will offer findings on the entire challenges facing railway employees. Forth, the research findings will determine the quality of service provided by railway employees.

1.7 Scope of the Study

The study covered only one organization that is Tanzania Railways Limited.

1.8 Organization of the Study

Chapter one of this study introduced the background of the study, statement of problem, the objectives of the study, research question, and significance of the study and the scope of the study. Chapter two comprises three sections. The first section looks at theoretical literature review. It starts looking at some conceptual definitions of terms; theoretical analysis looks at different theories put forward by various scholars and tries to see if those theories safeguard this study. The second section deals with empirical studies. In this section review of studies done outside and in Tanzania by various scholars concerning service quality is done. Last section is conceptual framework. Chapter three deals with research methodology. This chapter looks at research design and strategies, survey population and area of study. It also

looks at sampling procedures, sample size and methods of data collection. It ends up by looking at data analysis. Chapter four is about research findings, analysis and interpretations, and lastly chapter five provides recommendations and areas for future studies.

CHAPTER TWO

LITERATURE REVIEW

2.1 Overview

This chapter discusses various academic works related to the study. It discusses various themes that guided the study in addition to presenting an overview of the different concepts and various studies done by different scholars in relation to the topic under study. It is arranged as follows: Conceptual definitions of key terms, theoretical framework, empirical framework, research gap and conceptual framework.

2.2 Conceptual Definitions

2.2.1 Service Quality

Service quality can be measured in terms of customer perception, customer expectation, customer satisfaction, and customer attitude (Sachdev and Verma, 2014). Ekinici, (2013) indicates that the evaluation of service quality leads to customer satisfaction. Zeithaml, Bitner and Gremler, (2006) clarify that customer perceive services in terms of the quality of the service and how satisfied they are overall with their experiences. Service quality focuses on dimensions of service which are reliability; responsiveness, assurance, empathy and tangibles. Perceived service quality is a component of customer satisfaction. Zeithaml, Bitner and Gremler, (2016) define customer satisfaction as the customer's evaluation of a product or service in terms of whether that product or service has met the customer's

needs and expectations. Failure to meet needs and expectations is assumed to result in dissatisfaction with the product or service.

2.2.2 Customer Satisfaction

Competitiveness nowadays has a significant place for the betterment of customer's satisfaction and quality in the telecom industry. In the environment where there is no competition, that is to say when demand exceeds, organizations offer their customers inadmissible services in view of the thought that the clients have no alternatives and that they will agree upon the current services unconditionally. But if we talk about the competitive market, organization's sustainability totally depends on customer loyalty, which ultimately depends on the customer's satisfaction on the services received. Customer satisfaction is of great importance because it gives business owners and marketers with a structure that they can use to organize and refine their businesses.

Customer satisfaction can be interpreted as the feeling that a person experiences, when an offered service meet up to their expectations. According to Deng *et al.*, (2019) the capacity of a service provider to make satisfaction fulfillment of high degree and it is vital for product separation and building up solid association with customers. Literature accepts that customer satisfaction is an essential element for business success for the long-term (Zeithaml *et al.*, 1996). It is entirely a correct thing that to convey satisfactory (SQ) to consumers, provides organizations an opportunity to isolate themselves in centered markets (Karatepe *et al.*, 2015). Studies also show that service quality has direct impact on behavioral attitudes through

satisfaction (Cronin et al., 2017). Other sectors also focus on customer satisfaction likewise in banks. Banks also need to recognize customer's service demands and how it will affect service delivery and customer's point of view (Gerrard and Cunningham, 2011), for an insignificant addition of consumer loyalty that can prompt devotion and retention of customer (Bowen and Chen, 2011). Consumer's satisfaction and service quality are interconnected and this creates worth for customer. If consumers are provided with the services that they assume, exceeds their expectations, results in customer having a constructive view about the organization. Furthermore, if customers feel they received undervalued services their attitude regarding a given firm will be negative and they may mover their loyalty to potential consumers (Chau & Kao, 2015). If satisfaction exists, then customers will become loyal towards firm but if customers are unsatisfied their loyalty is not guaranteed. Hence special focus should be given by the management on the satisfaction and this starts with delivering quality service (Mohsan et al., 2011).

2.3 Theoretical Literature Review

A literature review is an account of what has been published on a topic by accredited scholars and researchers. It enables the researcher to know the kind of additional data needed in the study. It justifies the need for the study and highlights the relationship between the past and the current studies. This chapter discusses the main concept of Tanzania Railway service quality delivery and customer satisfaction; it highlights different theories and conceptual models derived from reviewed literatures which are relevant to this study and their implications to the study. Theories are an attempt to draw generalizable findings from specific instances (Fisher *et al*, 2010)

2.3.1 The Basic Service Quality Model

Parasuraman *et al.* (1985) identified 10 key determinants of service quality as perceived by the service provider and the consumer, namely, reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding/ knowing the customer, and tangibility to formulate a service quality framework.

2.3.2 The Resource-Based Theory

The resource-based view stipulates that, to attain sustainable competitive advantage over rivals, a firm should formulate and deploys a strategy that enables it to well utilize its unique resources. A unique resource is a resource that is able to generate competitive advantage for a firm. Such a resource Barney, (1991) argues has four attributes; it must be valuable by its ability to exploit opportunities and neutralizes threats, it must be rare among a firm's current and potential competition, must be imperfectly imitable and it should not have a strategically equivalent substitute. Barney, (1991) has identified firm resources as all that may include assets, capabilities, organizational processes, firm attributes, information and knowledge that are controlled by a firm. A strategy formulated on the bases of organization's unique resources, makes a firm implement a value creating process that may not be simultaneously implemented by current or potential competitors.

2.3.3 Reactance Theory

Reactance, it is assumed, experienced as individual's response to, or accommodate the change in the environment. When survival of employees is threatened in an

organization, they are most likely going to react by way of developing coping mechanisms, also called employee survival strategies in order to restore a freedom of control in their situation.

2.4 Service Quality Dimensions

Service quality is a standout amongst the most principal research subjects for the past few decades (Gallifa & Batalle, 2010). Service quality can be explained as how well the services are delivered to the consumer's expectations. Perceived Service quality can be characterized as the client's view of the overall quality or prevalence of an item or services regarding its expected reason. So, it is concluded that if perceived service is equal to expected services customer will be satisfied and if the perceived services are less than expected services customer will be dissatisfied. Service providers, regularly evaluate the (SQ) given to their consumers, with a specific objective to improve their quality, to rapidly recognize draw backs, and to enhance customer fulfillment in better way.

The idea of service quality was proposed in 1980s at the point when the organization comprehend that just quality item can keep up the focused edge (Boshoff and Gray 2004). Quality services not only plays an important role in consumer loyalty but also in the construction of commercial enterprises and additionally in creating benefiting firms of nowadays (Karim & Chowdhury, 2014). It is specified by many researches that Customer satisfaction plays a very important role in retention and consumer loyalty however this is not surety of repeat purchase (Mohsan et al., 2011).

For measuring the consumers' perceptions SERVQUAL model was utilized. The SERVQUAL model of Parasuraman et al. (1988) recommended a five-dimensional model of service quality which includes reliability, empathy or competence of staff, responsiveness, tangibles and assurance as the instruments for measuring (SQ) (Parasuraman et al., 1988; Zeithaml et al., 1990).

Reliability is defined as capacity to execute the guaranteed benefit reliably and precisely (Armstrong, 2012). If a company is providing a good service, a company and its staff should be ready to respond to consumer's queries about products and services offered (Ojo, 2010). According to Toosi and Kohonali (2011), timely responses to requests, is one of the important customer's expectation. Therefore, this should not be delayed or ignored simply because these are fundamental issues. Online support is offered by some companies that provides customers with instant resolution to their queries.

Assurance is basically courtesy, competence, credibility; security of the firm employees gives to its customer. Parasuraman et al. (1985) interpreted (AS) as information to have cordiality of workers and their capability to motivate confidence and trust. If company's representatives provide genuine and caring service, customers would want to do business (Zekiri and Angelova, 2011).

Tangibility can be illustrated as the appearance of physical offices, equipment, work force, and correspondence materials. Parasuraman et al. (1985), tangibility can be characterized as the presence of physical offices, staff, and equipment and composed

materials. If employees' neglect or mistreat customers, the customer do not complain every time about their experience as impersonal service. Rather, customer will never return and undoubtedly no organization wants this to happen. (Klemz & Boshoff, 2011).

Empathy can be interpreted as the care, individualized concentration the company provides to its customers (Armstrong, 2012). Customer and employee interactions are reflected through the dimension of empathy (Armstrong, 2012). Gbadeyan and Gbonda (2011) proposed that to attract customers through caring is a key determinant and by providing variety in the features of service products that will fulfill their wants and need in the marketplace.

Responsiveness characterized as the readiness or willingness of workers to give benefit or immediate response to the customer need. Offer quick service and willingness to give assistance to the customers (Armstrong, 2012). Customers highly appreciates to provide service in a timely manner, this aspect should be understood by the good service providers (Ahmed et al., 2010). Moreover, organizations that value efficiency and pay attention towards the services that they are offering, so that it can give them advantage and by using this advantage to keep off competitors (Karim & Chowdhury, 2014).

2.4.1 Measuring Customer Service

Cheales (2001) emphasizes that if the business is not measuring the results of the customer care programme, then the business will not know how successful it has

been nor will it know how to manage the programme. Both Dorrian (1996) and Cheales (2001) emphasise that if the business is not measuring the results of the customer care programme, then the business will not know how successful it has been nor will it know how to manage the programme. The problem is that management are used to measuring tangibles such as accounting data, and not intangible elements such as service quality and customer feedback (Cohan, 2000). (Kotler, 2000) observed that customers evaluate and measure a business on the following five factors in order of importance:

- i) Reliability which refers to the business' ability to perform the service accurately and dependably.
- ii) Responsiveness which is the willingness to provide prompt assistance.
- iii) Assurance which refers to the employee's knowledge and ability to convey confidence and competence.
- iv) Empathy which is the ability to care for the customer and provide attention.
- v) Tangibles which refer to the business' physical facilities and equipment.

As can be seen, the tangible element is the last factor to gain approval from the customer's perspective. Consequently, management should be measuring the same intangible factors internally and through requesting feedback from customers as, only then, would problem areas become evident and easier to manage (Cheales, 2011). Furthermore Cheales (2011) suggests that the following should be implemented to improve the measurement of service received by customers:

- i) Measurement techniques should be visible to all staff as an indication of how the entire team is doing.

- ii) Barriers to customer complaints should be removed so that customers feel at ease to voice their opinions. This will enhance customer loyalty and promote a long-term relationship.
- iii) Performance targets should be set with specific goals and deadlines so that progress can be monitored.
- iv) The customer should be involved in the measurement process as this will make the customer feel special and strengthen the relationship.
- v) Measuring should occur frequently as ongoing competition creates the challenge for business to continually raise their standards.

Carson (2013) supports the notion that using purely quantitative methods to measure a business' success is bound to lead to failure. This is because quantitative methods ignore the psychological aspects of the customer's expectations and experience. It is accepted that various services can be implemented with rigid rules and procedures to adhere to strict standards such as the telephone being answered within three rings. However, where qualitative elements dominate the interaction, the psychological aspects will play an important role in the customer's evaluation of the product or service (Carson, 2013). As a result the evaluation of customer care programmes needs to include measurements of both the tangible, quantitative elements as well as the qualitative elements such as perceptions, attitudes and behaviours of both the customer and the frontline staff (Carson, 2013).

As the majority of customer feedback for measurement purposes appears to make use of detailed survey questionnaires (Carson, 2013 and Cheales, 2011), there is concern

that the information contained in the surveys is too bulky, not interpreted correctly or not relayed back to management.

The researcher asked customers two questions: one concerned the quality of the service received and the second asked whether the customer would use the company again. Only customers who gave the highest ratings were then targeted by the company to develop long-term profitable relationships. This had a direct impact on the business' growth which was measurable through an increase in profits. The problem is that management is used to measuring tangibles such as accounting data and not intangible elements such as service quality and customer feedback.

2.4.2 Customer Satisfaction

A Customer satisfaction is the ability that an organization possesses to meet the needs of their customers on a regular basis (Perera, 2015) Satisfaction is the state felt by a person who has experienced a performance or outcome that has fulfilled his or her expectations. Satisfaction is thus a function of relative levels of expectation and perceived performance.

Satisfaction is the person's feelings of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his or her expectations (Kotler, 2004) According to Kotler (2004), the first task for any business-oriented institution is "to create customers". However, customers face a vast array of product and service choices, prices as well as suppliers. So, customers estimate which products or service offer will meet their needs thus enhancing

repurchase probability. Thus, customer satisfaction or dissatisfaction is subjective and dependent on perceived performance and expectations.

Customer satisfaction is related to customer expectations. Three outcomes can be anticipated, if the product or service meets customers' expectation, then customer satisfaction exists. If it exceeds customer expectation, then there is customer delight. If the product or service goes beyond customer delight, then the customer is surprised (Roberto *et al.*, 2016). The higher the level of fulfillment, the higher the satisfaction. Since marketing focuses on the needs and wants of the customers, one of the prime marketing objectives should be to maximize customer's satisfaction (Zeithaml and Bitner 2003). According to Zeithaml and Bitner (2003), Factors that affect customer satisfaction are:

Product and service features: The service features are the prime determinants of customer satisfaction and cause high levels of satisfaction if they satisfy the customer's needs and wants.

Customer emotions: emotions are a state of the mind and depend upon the customers feelings at a point of time. They are reflected in the customer's attitude. If the customer is in a happy state of mind, he or she will look at things positively, and is not easily irritated or excited.

Attributions for service success or failure: This includes the perception of the sequence of events that lead to the success or failure of the service. If the customer

perceives the sequence to be one -off and out of control of the service provider, say, a computer error, it leads to less dissatisfaction in comparison to an error, which is repetitive and can easily be controlled.

Perception of equity or fairness: If the customer feels she has been treated at par with other customers, or that she has received, her money is worth, it leads to positive perception towards satisfaction.

Customers have a set of expectations, and on experiencing a service they reflect on the service on the basis of the service features and draw favorable or unfavorable conclusions about the service provided. The conclusion drawn is of prime importance to the service provider as it can provide important insights on how to improve their services (Swaddling and Miller, 2012). Customer satisfaction is a direct result of a customer's expectations having been met by the service provided by the organization. A customer may be content with one encounter with an organization but may find the next experience with the same organization unpleasant. Management cannot control customer's reaction while doing business with the organization, but it can develop consistent levels of customer service that all employees are trained in and adhere to. Thus, consistent levels of customer service can lead to continued high levels of customer satisfaction, which can lead to repeat business, higher profits, and increased market share (Lovelock and Wright, 2014).

According to Ho *et al.*, (2015), customer satisfaction is a good predictor for the likelihood of repeat purchases and revenue growth. In addition, customers are assets

and their values can both grow and decline. However, customer satisfaction can be increased by investing in costly technology or productive processes. Kotler (2004) argued that, institutions or companies which believe the customer is the “profit center” must adopt the modern customer-oriented organization chart where customers are considered first or are at the top; next is front-line staff who meet and attend customers followed by intermediate managers who support the front-line staff.

2.4.3 Quality of Services

It is important to study service quality as it impacts organizational profits because it is directly related to customers satisfaction, customer retention, and hence customer loyalty (Mohsin, 2015). Quality of service is what people want to have whenever they encounter a service providing institution. Smith (2010) viewed service quality in two ways. The first is the level of quality by which the regular service is delivered, for example, the bank teller’s handling of a transaction. The second is the level of quality by which “exceptions” or “problems” are handled. However, maintaining quality is important for good customer relations regardless of the type of service. At the time-of-service delivery, customers interact closely with the service providers and get an inside knowledge of the service organization. This kind of knowledge gives them an opportunity to critically assess the service provided and the service provider. From the literature stated above, service quality plays an important role in adding value to the overall service experience. That means that, the best quality is that which adequately meet the needs of customers. According to Mbura (2004), quality of service is considered to yield the following advantages:

- i) Improved customer retention

- ii) High degree of customer loyalty
- iii) Attraction of new customers through positive word of mouth recommendations can be used as a competitive tool especially where competitors cannot easily copy
- iv) Employee morale can improve due to reduced customer complaints.

Quality can only be determined on the basis of reliability- the ability to deliver the promised services in a dependable and accurate manner; responsiveness- the willingness to help customers and provide a prompt service, for example, by avoiding keeping customers waiting for no apparent reason; assurance- the ability to inspire trust, and confidence such as being polite and showing respect to customers; empathy or caring- the attitude of being approachable or the degree to which customers are treated as individuals, for example, being a good listener; and tangibles- physical facilities, equipment, personnel and service-facilitating materials such as communication and cleanliness. Service quality is commonly noted as a critical prerequisite and determinant of competitiveness for establishing and sustaining satisfying relationships with customers. No business organization can survive without building its customer satisfaction and brand loyalty. Likewise, no organization can make a healthy living without meeting the needs of its customers. That is what organisations do: they serve people's needs. Service quality helps in cementing the relationship between customers and the organization and it is a two-way flow of value. This means that customer derives real value from the relationship which translates into value for the organization in the form of enhanced profitability and sustainability over a long period of time.

2.4.4 Customization

Another element of caring for the customer involves customizing the product or service to suit the customer's needs. According to Ansari and Mela (2013) customized products and communications contribute towards attracting customer attention as well as developing customer loyalty and "lock-in". Furthermore, the use of targeted and personalized communications will increase switching costs for the customer which ultimately contributes to the business' profitability. Businesses that choose a customization strategy need to undertake careful investigations of their customers. Business needs to understand what their customers regard as value and what they are willing to pay as successful customization will build customer loyalty but at the same time it is costly to customize products (Thompson, 2013). A point worth noting is that a business should customize those product or service features that cannot be copied in order to maintain a competitive advantage over its rivals (Thompson, 2013).

2.4.5 Customer's Expectations

Customer expectations are formed through past experience with the business, word of mouth and through the media (Kotler, 2000). Kotler further points out that, customer expectations are comprised of future benefits together with anticipated regret if a business relationship ends. Expectations are formed on the basis of past experiences with the same or similar situations, statements made by friends and other associates, and statements made by the supplying organization (Kotler, 2000). However, while this ability to delight customers may be profitable in some industries, it may not be possible to achieve in other industries, yet, customers will

put businesses under pressure to perform and meet their expectations (Thompson, 2013).

A further trait of customer expectations is that they can change frequently which makes it difficult for businesses to provide what the customer was expecting (Anderson, 2002). According to Corrigan (2014) maintains that customer expectations and buying behavior continually adjust the rules of competition. Hence businesses that pursue innovation with regard to their products and services will be able to fulfil customer expectations and will, in turn, further contribute to the competition within their industry. Consequently, as Corrigan (2014) points out, businesses that adapt to the changing market place and innovate to meet customer expectations will become market leaders.

To conclude, customer needs and expectations from the business' perspective: businesses need to monitor and recognize what their customer's value with respect to their needs and expectations and, furthermore, businesses need to align what they are capable of doing to what their customers value (Thompson, 2013).

2.4.6 Customer Perception and Customer Gap

Customers' perceptions of service quality result from a comparison of their expectations before they receive their actual experience with the service (Smith, 200). In banks, customer perception is what a customer actually perceives to have received from the bank through the staff who in one way or another represents the banks' management, always thinking that they provide good quality services to their

customer, which is not true from the point of view of the customers. Consequently, what they promise to deliver tends to be different from what their employees actually deliver, and thus results in employees' and management's misunderstanding.

Zeithaml et al., (1988), developed a gaps model to analyze quality problems and help managers understand the ways of improving service quality. The gaps are as follows:

Gap 1: Difference between customer's expectations and the management's perceptions of customer expectation. In other words, one can say that, the management's perception of the customer expectations was inaccurate. This is very important in service organizations than in firms producing tangible goods and can be caused by marketing research orientation, communication, levels of management and service recovery.

Gap 2: Between translation of perceptions into quality specifications and management perceptions of consumer expectations. The different reasons contributing to this gap are management commitment, internal quality programmes, service design and perception of feasibility. Management or organization can use service blueprinting for reducing this gap.

Gap 3: Between service delivery and translation of perceptions into quality specifications. This means that, the quality specifications laid down for the staff to follow were not met at the time-of-service production and delivery process. This can be due to problems in specifications, employees not fulfilling the roles, customers

not fulfilling the roles, failure to match demand and supply, deficiencies in human resource policies and problem with service intermediaries.

Gap 4: Between external communication to consumer and service delivery. Sometimes known as market communication gap. The gap can occur when there is planning problem or lack of integrated services marketing communication, execution problem or ineffective management of customer expectations and over promising.

Gap 5: Between expected service and perceived service by the consumer. This results into negative quality perception, bad publicity and reputation, negative impact on organization's image and lost of business due to all the negative perception.

2.5 Empirical Literature Review

(Asim and Nafees, 2014) conducted a study in Pakistan Railway and found that the railway was amid crisis and was at the verge of collapse due to several factors such as lack of attention, poor policies, increasing expenditures, misappropriation of fund, pilferage, nepotism, floods, inadequate technology and mismanagement. All these factors led to inadequate locomotives, obsolete technology and poor infrastructure, managerial incapability, declining market share, overstaffing, missing transport policy, increasing budget deficit, huge liabilities and losses. The above factors led to the decline in the overall performance of Pakistan Railways. It should be noted that the Pakistan Railways' budget was higher than the budget allocated for agriculture sector but all these efforts led to operational losses.

2.6 Research Gap

Many studies indicate that there are links between customer satisfaction, service quality and profitability. In order to meet customer demand, many companies need to better serve their customers. Better quality of service can usually get a higher market share and better returns (slu & and mou, 2003). Because of high market competition service quality becomes an increasingly important issue in the field of competitive market. Therefore, these issues become very important to satisfy the customer (Broderick & Vachirapornpuc, 2002).

2.7 Conceptual Framework

Researcher aims adopting a modified conceptual framework that is the SERVQUAL model with five dimensions consisting: Tangibles, Reliability, Responsiveness, Assurance, and Empathy to be *independent variables* and customer satisfaction as *dependent variable*. SERVQUAL Model is a suitable for measuring service quality and customer satisfaction in banking industry.

The researcher used the same dimensions to measure both service quality and customer satisfaction because both are related (Parasuraman, 1988). The SERVQUAL approach integrates the two constructs and suggests that perceived service quality leads to customer satisfaction. The model is to find out the overall services quality perceived by customer if it meets the customer needs and satisfies.

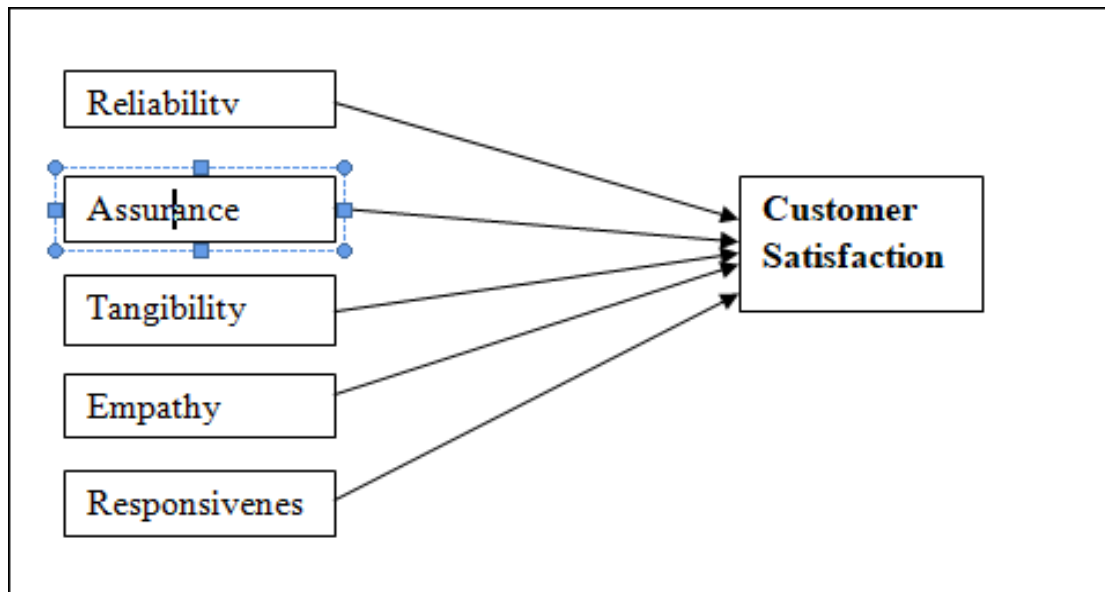


Figure 2.1: Conceptual framework

Source: Researcher (2020)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Overview

The chapter deals with the research methodology of the study. This includes the research design, area of study, population of the study, sample size and sampling design, source of data and methods of data collection, data collection tools, reliability and validity, data analysis and expected research findings.

3.2 Research Design

The research design helps the researcher to obtain relevant data to fulfill the objectives of the study, (Kothari, 2004). In the research study the researcher used explanatory research design. Explanatory research is a method of collecting information by administering a questionnaire to a sample of individuals. The methods used quantitative methods. Quantitative methods are based on the measurement of quantity or amount.

3.3 Area of the Study

The study was conducted in railways in Dar Es Salaam especially to all stations which are located in Dar Es Salaam namely Ilala, Kurasini and Dar Port. These are the stations which deals with customers and the data will be collected at those stations. The reasons for conducting the study in Dar Es Salaam is due to financial and time constraints.

3.4 Population of the Study

Kothari (2004) define population or universe as all items in any field of inquiry. The total number of expected respondents was seven hundred (700). This involved Tanzania Railways Limited travelers and Freight customers.

3.5 Sample Size and Sampling Design

3.5.1 Sampling Design

Kothari, (2004) states that a sampling design is a plan for attaining a sample from a universe or population. It includes the procedures or techniques that are used in selecting items for the sample. Sample design approximates the number of items to be included in the sample such as the size of the sample.

3.5.2 Sampling Procedure

Convenience sampling was utilized to collect the desired samples. The target population was passengers and cargo freight customers of railways transport sector of Tanzania. Customers use different railway services. Data collected through questionnaires which were designed in such a way to get the desire information of customer satisfaction related to service quality in railway transportation in Tanzania. It was focused on examining the variables that can influence the customer satisfaction with service quality dimensions.

3.5.3 Sample Size

The determination of the sample sizes for the different categories of the study/research population and their respective localities (sampling units) for the

study depended on the category and characteristics of the target population in the present study as recommended (Kothari, 2009). Yamane (1967) provided a simplified formula for computing sample size when the targeted population is formed by less than ten thousand individuals/variables. This formula was employed by Saunders, et al. (2012).

in their study while computing the sample sizes for different categories of the targeted populations for study, at a 5% precision level.

$$n = N \div (1 + Ne^2)$$

In this context therefore, the same formula was used to calculate the sample size for cargo transporters and passengers under this study.

$$N = 700$$

Where by: n - sample size

N –Targeted population

e - Level of precession

From the above formula, the minimum sample size is derived as follow:

$$N = 700 / (1 + 700 \times 0.05 \times 0.05)$$

$$n = 255 \text{ (cargo transporters and passengers)}$$

The sample size of 255 for cargo transporters and passengers was adjusted by 10% to account for possible non-response rate which might result into a smaller sample than Kothari (2004) states that sample must be of an optimum size, that is, it should neither be excessively large nor too small. Size of the sample should be determined

by a researcher keeping in view of the following factors: The sample size was two hundred fifty-five (255) as calculated hereunder:

The sample drawn consisted of 255 respondents, of which 180 respondents are cargo customers who transport cargos through Tanzania Railways Limited and 75 were passengers.

3.6 Methods of Data Collection

3.6.1 Primary Data

Primary data used were collected through interview or face to face aided by questionnaires, which collected all responses from the chosen sample.

3.6.2 Secondary Data

Kothari, (2004) states that secondary data are data which have already been collected by someone else and which have already been passed through the statistical process. Secondary data was used in the study; therefore, the number of populations was known from the secondary data. There are number of secondary sources of data that were applied. Masters & PhD thesis, books and journals and company documents such as letters, internal memos, minutes of meetings was also used.

3.7 Data Collection Tools

In this study data collection tools such as questionnaires was used as tools for primary data collection. Secondary data on the other hand, are those which have already been collected by someone else and which have already been passed through the statistical process (Kothari,2004).

3.7.1 Questionnaire

In the designed questionnaire, the questions one to four consisted on demographic questions like age, gender, company's name, and customers of Railway Company in Tanzania. The questions five to thirty-three consisted on dependent and independent related questions which were to be answered at 1-5 Likert-sort scales marked "where 1 shows strongly disagree (SD), 2 for disagree (D), 3 for neutral (N), 4 for agree (A) and 5 for strongly agree (SA). The dependent variable perceived customer satisfaction had nine items in the questionnaire adopted from Roger Hallowell (1996). While the scales of independent variables (Reliability, assurance, tangibility, empathy & responsiveness); adopted from Ramsaran-Fowdar (2007) and had five items of each variable.

3.7.2 Documentary Review

Documentary review is one of the techniques which are used to obtain various information from various literature including books, journals, research papers and other documentary source relating to a certain field of study. Normally documentation helps to gather qualitative data and measure the consistency of information obtained through other techniques (Kothari, 2006). In this study the researcher used reports of customers, department reports present at TRC. The researcher also employed other documents from libraries of Open University of Tanzania (OUT), UDSM library and other relevant materials from internet that had relevant information to the study.

3.8 The Variable Measurement and Procedures

Measurement in research consists of assigning number to empirical events in compliance with a set of rules. This definition implies that measurement is a three-part process, namely, selecting observable empirical events, developing a set of mapping rules, that is a scheme for assigning number or symbols to represent aspects of the events being measured and applying the mapping rules to reach observation of that event (Blumberg, Cooper & Schindler, 2008).

The questionnaires for this study were developed to consider the problem statement. Thus, the questions are selected to address the variables of the conceptual model to assess the impacts of SERVQUAL on customer satisfaction in TRC. The questionnaire was divided into three sections A contained the biographical data of respondents and section B, evaluated the perceptions on variables, section C contained additional questions on the variables which are open ended in nature. The scale used in the structured questionnaire is a five- point like type scale, ranging from strongly disagrees to a strongly agree.

3.9 Reliability and Validity of Data

3.9.1 Reliability

Hoy (2008) define reliability as the extent to which a measure yields consistent results; the extent to which scores are free of random error. Also, Cohen, et al 2007 defines as the extent in which the measuring procedure yields the same results on the repeated trials. In this study to ensure reliability a pilot study was conducted the data

obtained were coded, trimmed and tested in several trials so that it yields some results.

3.9.2 Validity

According Hoy (2008), Validity is the extent to which a measure actually taps the underlying concept that it supports the measure. Also, he defined validity as the degree in which measuring devices can measure what the researcher intended to measure. In this study to ensure validity of tools the supervisor review before such tool is administrated to the respondents printed, well organized, having clear instruction to guide the respondents and free ambiguity concepts.

3.10 Data Analysis

The data was analyzed both quantitatively and qualitative, since the study includes both qualitative and quantitative data. Thus, this research study employed purely quantitative research techniques in its data analysis. In recent times, several researchers have recognized the need to integrate both quantitative and qualitative methods in their data analysis (Burke and Onwuegbuzie, 2004). This integrated approach is viewed to be more convenient when dealing with respondents who have busy schedules and limited time at their disposal. The analytical instrument for this study is the Statistical Package for Social Science (SPSS) version 22.0 using graphs, tables and descriptive statistics. This software has been widely used by researchers as a data analysis technique (Zikmund, 2003).

3.11 Research Ethics

For ethical requirements in the conduct of the study respondents were duly informed of the fact that the study was for academic purpose and that they were under no compulsion to respond to the questionnaire. The respondents were asked to participate voluntarily whilst assuring them of anonymity and confidentiality on the information given. In order to avoid plagiarism, all sources of information were duly acknowledged.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.1 Overview

This chapter presented and discussed results with regard to study objectives. It covers results and descriptions of the demographic characteristics of the respondents, reliability analysis and justification, the effects of reliability, the effects of tangibility, the effects of assurance, the effects of empathy, the effects of responsiveness and the level of customer satisfaction, as well as results and descriptions of effects of service quality variables on customer satisfaction. It is in this chapter where the hypotheses have been tested so as to confirm or reject the statements.

4.2 Demographic Characteristics of Respondents

The demographic characteristics of the respondents assessed by the study include age, sex, marital status, education and job experience. The descriptions of respondents' demographic characteristics appear in the following sections 4.2.1, 4.2.2, 4.2.3 and 4.2.4.

4.2.1 Age

The study found that most (60.7%) of the respondents were belonging in the age group of 31-40 years, followed by those (23.5%) who are in the age group of 41-50 years (Table 4.1). A few of the respondents (15.8%) belongs to the age group of 51-

60 years. The minimum and maximum age of respondents was 30 years and 58 years. Participants had the average age of 40 years.

4.2.2 Sex and Marital Status

The distribution of respondents based on sex show that majority of the respondents were males (52.9%). Only 47.1% of the respondents were females. On the other hand, married respondents constituted the majority (70.5%) of survey participants, followed by respondents who are still single by the means that they had not yet married (25.5%) as shown in Table 4.1. Other marital statuses composing widows and divorce constituted only 3.0% of the survey participants.

4.2.3 Level of Education

There was a variation of level of education among the respondents as shown in Table 4.1. The study revealed that most of the respondents had bachelor degree (43.1%). Other respondents had level of education below (30%) and above (25%) bachelor degree. However, none of the respondents identified to be possessing non formal education since all of the survey participants had attended school.

4.2.4 Service Use Experience

The survey of service use experience revealed that majority (70.5%) of the respondents used railway transportation in TRC for 11 to 20years (Table 4.1). On the other hand, 17.2% of customers spent at most 10 years while working at TRC and the rest (12.3%) of customers had at least 21 years' service using experience. The minimum years' user's experience was 3 years and the maximum years' service user

experience was 34years. The average years of service user experience of customers who participated in the survey was 14 years.

Table 4.1: Distribution of respondents according to demographic characteristics

Variable	Frequency	Percent
Sex		
Male	135	52.9%
Female	120	47.1%
Marital status		
Single	65	25.5%
Married	180	70.5%
Other	10	3.0%
Age		
31-40	155	60.7%
41-50	60	23.5%
51-60	40	15.8%
Education		
Diploma	80	31.3%
Bachelor	160	43.1%
Above bachelor	15	25.6%
Service user experience		
1-10	44	17.2%
11-20	180	70.5%
21 and above	31	12.3%

4.3 Reliability Analysis

The reliability analysis was conducted to examine if the study has internal consistence. The reliability test revealed that Cronbach's Alpha values for reliability which has involved 5 item scales was 0.873 while that of assurance involved 5 item scales was 0.763, tangibility which has involved 5 item scales was 0.720, empathy which has involved 5 item scales was 0.919, responsiveness which has involved 5 item scales was 0.913 as shown in Table 4.2. The customer satisfaction measured by 9 item scales found to have Cronbach's Alpha of 0.873. In all Cronbach's Alpha

values obtained, none of them has a value of less than a recommended value of 0.7.

Therefore, the findings justify that the study has internal consistence.

Table 4.2: Results of Cronbach's Alpha showing reliability of the study

Variable	Number of items	Cronbach's Alpha
Customer satisfaction	9	0.873
Reliability	5	0.763
Assurance	5	0.72
Tangibility	5	0.799
Empathy	5	0.919
Responsiveness	5	0.913

Source: Field data

4.4 Multiple Regression Analysis

Multiple regression analysis was applied to test the association among service quality dimensions and customer satisfaction. The model summary discloses the following results as shown in table 4.3.

Table 4.3: Model Summary

R Square	Adjusted R Square	Std. Error of the Estimate
0.279	0.264	0.72437

Predictors: (Constant), Responsiveness, Tangibility, Reliability, Assurance, Empathy

Here $R^2 = 0.279$ shows that the five service quality dimensions explained approximately 27.9% of variance in overall customer satisfaction. And 0.724 is standard error of the estimate which shows square-root of the Mean Square for the Residuals in the ANOVA and standard deviation of the error term.

The ANOVA results depict that overall result is statistically significant because p-value is less than 0.05.

Table 4.4: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	50.448	5	10.090	19.229	0.000
1	Residual	130.654	249	0.525		
	Total	181.103	254			

Dependent Variable: Customer Satisfaction

Predictors: (Constant), Responsiveness, Tangibility, Reliability, Assurance, Empathy

Service quality dimension responsiveness ($\beta=0.257$, $p<0.05$), has the positive and noteworthy influence on customer satisfaction. Furthermore, Assurance has ($\beta=0.209$, $p<0.05$) and reliability has ($\beta=0.192$, $p<0.05$). Both the independent variables have positive influence on customer satisfaction. While tangibility and empathy have values ($\beta=0.005$, $p>0.05$) and ($\beta= -0.42$, $p>0.05$) respectively. These dimensions have insignificant influence on customer satisfaction as shown in table 4.5.

Table 4.5: Coefficients

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	
B		Std. Error		Beta	
1	(Constant)	1.4	0.25	5.603	0
Reliability	0.188	0.075	0.192	2.512	0.013
Assurance	0.199	0.075	0.209	2.647	0.009
Tangibility	0.004	0.047	0.005	0.09	0.928
Empathy	-0.034	0.092	-0.042	-0.37	0.712
Responsiveness	0.225	0.092	0.257	2.439	0.015

Dependent Variable: Customer Satisfaction

4.5 Discussion of Findings

Customer satisfaction has importance in organization success. To make the customers satisfy it is important to provide them best services. The prime reason to conduct this

research was to clarify the influence of service quality on customer satisfaction in Transportation sector in Tanzania. To clarify the importance of perceived service quality researchers applied statistical tests on collected data. The outcomes show that three out of five dimensions of service quality (reliability, assurance and responsiveness) have influence on customer satisfaction. While the other two dimensions (empathy and tangibility) haven't much influence on customer satisfaction in transportation in Tanzania. The results of hypotheses 1 and 2, reliability against customer satisfaction and assurance against customer satisfaction respectively are supporting the outcomes of Arokiasamy & Abdullah (2013) when they checked the relationship between service quality and customer satisfaction in Malaysians' telecom industry; It also supports the findings of Wang *et al.*, 2004 whose study was carried out on Chinese telecommunication industry and Loke et al., (2011) when they conducted a study on service quality and customer satisfaction in telecom service providers. In this research, hypotheses 3, tangibility against customer satisfaction shows that physical appearance of office their material and equipment do not affect the customer satisfaction which opposes the finding of Wang *et al.* (2004); Arokiasamy & Abdullah, (2013) because they found that tangibility does influence on customer satisfaction but support the findings of Loke et al., (2011) that tangibility does not affect on customer satisfaction. Empathy against customer satisfaction, hypothesis 4 shows no significant influence between them it supports the research results of Wang et al. (2004). Responsiveness does affect on customer satisfaction. It shows customers need rapid and reasonable response on their queries. It supports the outcomes of previous researcher i.e. Loke et al, (2011); Arokiasamy & Abdullah (2013)

The results clarify that service quality has importance in customer satisfaction of transportation sector in Tanzania. It can't be ignored when develop future strategies. Furthermore, the results of this research will be helpful for management of Tanzania railways corporation to improve their service quality because satisfied customer not only adds loyalty but also improves the reputation of the company.

CHAPTER FIVE

SUMMARY OF THE MAIN FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Overview

This chapter presents the summary of findings, implications of the results, conclusion a recommendation made with regard to the study findings and objectives, as well as areas for further research.

5.2 Summary of the Main Findings

Dimensions of service quality included in the research were reliability, assurance, tangibles, empathy and responsiveness while customer satisfaction was taken as dependent variable. A collection of 255 fully filled questionnaires were retrieved through convenience sampling. Cronbach's alpha value for all the variables was greater than 0.7 and above which shows the reliability of collected data. Multiple regression analysis confirmed that three independent variables i.e., assurance, reliability and responsiveness had positive influence on customer satisfaction while empathy and tangibility had not positive and significant effect on customer satisfaction. The results of this research will help the transportation companies to improve their service quality which will enhance the customers' satisfaction and loyalty. Hence, it will increase the stake and credibility of the company.

5.3 Conclusion

In this section of recommendation the author states some issues which arised from TRC customers and responsiveness of the services toward customers.

5.4 Recommendations

The recommendations are made by researcher as follows:

Firstly, it is necessary to know the demands of the customers about the services they are being provided, what is the expectation of the customer and what type of services are provided to him or her. The TRC should focus on the reliability issues that may overcome by the training of the employees. Some customers are dissatisfied with the issue of waiting time for transaction with the bank. Some are not happy with the information they get. The company should focus on the communication with their customer to increase the satisfaction and expectation of their customers. Also the company can connect their customers to the database system to contact from time to time to know about the assessments of the services been provided to them if they are satisfying and what to do for improvements.

Secondly, the TRC marketing manager should make sure that what are applicable of all components in a service quality program are being strictly followed and implemented effectively. Assurances, Reliability, Empathy, Tangibles, responsiveness and customer satisfaction are all equally important. Marketing managers should not only focus on the bank objectives of profits and gains, but must also look into the needs of the customers as well. As a matter of fact, the management should recommend extensive customer care and service training program for all the frontlines and tellers. In this way it would fortify the bank's core competency in customer satisfaction. The results of this study has shown that SERVQUAL Model is still the effective model of measuring customer satisfaction in banking industry. Managers from various banks also should continuously measure

and improve the level of customer satisfaction using the SERVQUAL Model in order to maintain competitiveness in the market place.

Thirdly, the management of TRC should look into the customer claims like shortage of loading/offloading stations in a positive way of success and improving their services toward their customer by implementing and working on all needs and wants of customers. What the customers claim is in order to maintain, win and retain of their customer's loyalty. This is because market perception and customer expectation can change rapidly from time to time.

The researcher found the impact of service quality over the customer satisfaction through the analysis. The survey findings indicate about the overall satisfaction of the company. From the data collected the study found that the positive service quality can increase a satisfaction of customer group which effects the overall satisfaction of the organization. The customers of TRC are satisfied with the service they are provided. This study has shown that the service quality can affect the overall customer satisfaction. So the service quality can differentiate a firm from the others. Services quality can influence customer satisfaction. From the overall findings the author found that the better service attracts the customer, and can decrease if the service does not satisfy the expectations. To maintain a very high satisfied customer group the business firm should focus more on customer service.

5.5 Limitation of Study

This study is limited under the prospects of area limitation and firm limitations. The area of this study is limited to Dar es salaam region only. This study is limited by

number of factors. Firstly, the research is limited only to customers who received services from the TRC. Secondly, time constraint led to get narrower outcome. In additions, the firm's limitation refers to one single company the TRC. Thirdly, the finance constraints lead to get fewer numbers of respondents in order to be able to collect them effectively and efficiently.

5.6 Implications of Findings

The results imply that the management of Tanzania railways corporation should make sure services are delivered on time and on a style that each customer is satisfied. Satisfaction may come from quality of service delivered.

5.7 Areas For the Future Researches

The future research can be focused on specifying single service or by taking the any specific department which is involved in providing services or by taking specific company because there might be a possibility that customer is satisfied with the services of one company but not from other.

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APPENDICES

APPENDIX I: Research Activities

TIMESCALE

[illegible]

APPENDIX II: Research Questionnaire

Questionnaire to the customer of DCB Bank

My name is Grace Stanley. I am a third year student at the Open University of Tanzania (OUT). I am conducting this research in order to examine the effects of service quality on customer satisfaction in transportation sector. This research study is done in partial fulfillment for the award of a Master of Business Administration (MBA).

Please lend me few minutes of your time to fill out this questionnaire. It is strictly for academic purpose and therefore all information provided shall be treated with maximum caution and confidentiality. All personal data provided shall be treated collectively and not on personal levels.

Section A: Biographical Data

Please mark the appropriate box with an (V)

1. Age Group

31-40 years	
41-50 years	
31- 40 years	
51- 60 years	

2. Gender

Male	
Female	

3. Educational Background

Diploma	
Secondary	
Bachelor	
Above bachelor	

4. Marital Status

Single	
Married	
Others	

5. **Service Experience:** How long have you been using TRC services? Please state in number of years.....

Appendix 1: Perceptions on Variables

Please indicate with an X the degree to which you agree/disagree with each of the following statements.

Dimension	Statement	Strongly Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
Tangibility	TRC have modern looking equipment				
	This company physical facilities are visually appealing				
	The company employee is neat appearing?				
	Service I receive from cargo handling is with speed				
Reliability	TRC is always able to answer my queries.				
	I am comfortable with services delivered with TRC company				
	TRC company employees are sincere in solving my problems.				
	My bank delivers on promises time				
	TRC performance service at first time				
	TRC services are reliable always				
Responsiveness	The employees of this company tell you exactly when the service will be performed?				
	Employee of this company gives prompt service to customer?				
	Employees of this company are always willing to help you?				
	Employees of this company are never too busy to respond to your request?				
Assurance	The behaviors of TRC employees inspire confidence in customers?				
	You feel safe in transaction with this you company				
	The employees are consistently courteous with me				
	Employees of this company have knowledge to answer to my				

Empathy	The company will give me individual attention?					
	This company has my best interest in your heart					
	The company employee understands my needs					
	Working hours of the company is convenient to me					
	The company knows how I feel					
Satisfaction	Generally, I satisfied with the services of this company					
	I will recommend TRC to friends and family members					
	The personnel of the company are courteous and friendly					
	The company quickly solve my problems					
	I will always choose this company over any other transportation companies					

THANK YOU FOR YOUR PARTICIPATION