



**ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**THE EFFECT OF SERVICE QUALITY ON CUSTOMER
SATISFACTION IN THE CASE OF PANAFRIC GLOBAL PLC**

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**ST.MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
FACULTY OF BUSSINESS**

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DECLARATION

I, Rahel Belayneh, declare that this thesis is my original work, prepared under the guidance of Dr Temesegen Belayneh. All source of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

RAHEL BELAYNEH

St. Mary's university college, Addis Ababa June, 2020

ENDORSEMENT

This thesis has been submitted to St. Mary's university college, school of graduate studies for examination with my approval as a university advisor.

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Acronyms and Abbreviations

PAG- Panafri Global

SERVQUAL –service quality measurement tool

QD – Quality dimensions

SPSS- statistical package for social science

Abstract

Service quality has become the most important factor for the success and survival in logistics industry and also to differentiate competitors. In many services rendering organization service quality is major concern for organizations. The main purpose of this study is to assess service quality and improve customer satisfaction in Panafric global plc. The researcher used questionnaire in order to collect data about service quality in PAG. In design the questioner five service quality dimensions have been used which are tangibility, reliability, responsiveness, assurance and empathy dimensions. The researcher used convenient sampling method in order to select the sample from the population. A total of 300 questioners were collected from customers. The data analysis was conducted through statistical techniques such as descriptive statistics, and inferential statistics using SPSS version 20. The finding indicates that service quality of the organization is poor. Based on the result of the correlation, it shows that responsiveness and reliability dimensions have significant and strongly correlated with customer satisfaction. customer satisfaction is primarily predicted by higher level of responsiveness and reliability dimensions, and to a lesser extent by assurance, empathy and tangibility dimensions in PAG. From the study it is concluded that customer is not satisfied with the perceived service.

Key word: Service quality, Customer satisfaction, Panafric global plc.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Service quality is the delivery of excellent or superior service relative to customer expectations (Zeithaml and Bitner 2006). Quality of service delivered is an internal concept measured by comparing what is delivered with the standards set. These standards are influenced by several factors which determine the customer's level of expectation. Parasuraman, Zeithaml & Berry (1985).

Service quality is an approach that helps to manage business processes in order to ensure full satisfaction of the customers which will help to increase competitiveness and effectiveness of the industry. Quality in service is very important especially for the growth and development of service sector business enterprises. Parasuraman et al. (1985) noted that the key strategy for the success and survival of any business institution is the deliverance of quality services to customers. Service quality focuses on meeting the customers' needs and requirements and how well the service delivered matches the customer's expectations of it (Philip and Hazlett, 1997).

Service industry is among the highly dynamic industries as consumers & customers often demand change. This change further drives the service provision and delivery forward with increasing demand for quality. Since services are intangible in nature their success and failure is not easily measured or qualified. The success of any service providing organization can be measured in terms of customers' attitude towards the service delivery practiced which means service quality will be the dominant element in customers' evaluations of a given service (oliver,1997).

Companies providing high service quality as perceived by their customers, tend to be the most profitable companies. On the other hand, poor service has been identified as the primary reason why customers switch to competitors. In service giving organization all staff or employees must be customer oriented and interact with customers to satisfy their needs in order to increase customer's satisfaction and there must be service commitment from employees and support from all levels of management. Therefore, it is important for managers and employees who provide

goods or services that they must constantly meet customer's needs are concerned. Dayang and Francine (2010).

Customer satisfaction is an experience-based assessment made by the customer of how far his own expectations about the individual characteristics or the overall functionality of the services obtained from the provider have been fulfilled (Bruhn 2003). According to Gyasi and Azumah (2009) satisfaction is the process of customer overall subjective evaluation of the product/service quality against his/her expectation or desires over a time period.

The goal of many logistics providing companies is to develop services which attract and keep customers satisfied, loyal and speak well of the company, which in turn would increase revenue, customer equity, market share and profitability. In these kinds of industry, service quality is being increasingly viewed as a competitive marketing strategy revolving around customer focus, innovation, and creative service and striving towards service excellence. Andotra, Neetu and Sanjana (2008) kotler and Armstrong (2002) said that Providing excellent service quality and high customer satisfaction is important issue and challenging in contemporary service industry.

1.2. Back ground of the Organization

Panafric Global established in 1993 G.C, Serving a growing base of customers around the world, leading provider of multimodal transportation and logistics services. With package of value-added services includes international freight forwarding; intermodal trucking, document preparation, cargo insurance provision, customs formalities, foreign collections, freight consolidation and international trade management and consulting. Panafric Global is committed to customer service and operational excellence, with dedicated and professional staff provides solutions to customers in the demanding climate of international trade.

The services include customs brokerage, handling heavy and/or dangerous cargo import, export, transit and trans-shipment. General Sales Agent for airliners, packaging, crating and short-term warehousing, full and partial cargo chartering, door to door service from all over the world.

1.3. Statement of the Problem

Customer satisfaction is a critical issue in the success of any business system (Ho &WU, 1999). It recognized as is the key to survival and the source of competitive advantage for organizations (Anderson, Fornell & Lehmann, 1994). At present the mere existence of almost all international business organizations in general and logistics industries in particular depend to a large extent on the degree to which these industries are able to satisfy their customers demand through the provision of more dependable, safe, secured and comfortable services better than their ultimate competitors. There is no doubt that efficient service delivery is a critical factor in the success of any service-oriented organization.

The service sector has become the major growing industry during this century given the rapid growth in the service sector, improving service quality has paramount importance to all organizations to win in today's smart place, companies must be customers centred they must deliver superior value to their target customers. service quality depends on both service delivery and the quality of the delivery. The increased competition has led to price wars in the past and over time the market has saturated in terms of airfares. But this strategy has been more of a short-term strategy, as it is important for the logistics companies to focus on service quality for making a lasting impact on the customer. A long-term plan that prioritizes customer satisfaction can arguably be said to be a good and a long-term strategy (Hadjetian, L. 2015).

Air shipment services help to improve the competitiveness of almost all aspects of companies' operations, including sales, logistics and inventory management, production and customer support. The main business for air freight companies is to deliver shipments rapidly, punctually and with the highest quality possible. Delivering superior service quality by understanding customer expectations is a key for success and survival in very hectic and competitive environment of air cargo. In order to improve service quality and customer satisfaction, airlines have a responsibility to facilitate the relationships and communications between their customers and suppliers. (AakoTelkake 2012).

The purpose of this study is to assess the current satisfaction level of the customer as well as better understand the customer's needs from company's point of view for improving the service quality. It will also analyse the reason and factors that influences customers' satisfaction level

and assist to find out the problems with the service of the case company. The analysis combined with empirical study in order to solve practical problems and find logical solution as well as give insights that might help the company to improve satisfaction level of customer and service quality of the company.

The company often fails to fully deliver on its promise and many customers are not satisfied with the service that they get from Panafric global. Accordingly, customers complain about, information gap and delay in work and complicated procedures of the organization. The above listed complaints are decisive in any business organization and if it's not unresolved it may question the companies' existence at large.

1.4. Research Questions

1. What is the effect of Tangibility on customer satisfaction in the case of Panafric global?
2. What is the effect of Reliability on customer satisfaction in the case of Panafric global?
3. What is the effect of Responsiveness on customer satisfaction in the case of Panafric global?
4. What is the effect of Assurance on customer satisfaction in the case of Panafric global?
5. What is the effect of Empathy on customer satisfaction in the case of Panafric global?

1.5. Objective of the Study

1.5.1. General Objective

The general objective of the study is to assess the service quality and customer satisfaction in Panafric global Plc.

1.5.2. Specific Objectives

The specific objectives of the study are:

- ❖ To examine the effect of Tangibility on customer satisfaction in the case of Panafric global
- ❖ To analyse the effect of Reliability in the case of Panafric global

- ❖ To identify the effect of Responsiveness on customer satisfaction in the case of Panafric global
- ❖ To determine the effect of Assurance on customer satisfaction in the case of Panafric global
- ❖ To determine the effect of Empathy on customer satisfaction in the case of Panafric global.

1.6. Scope of the Study

This research was conducted to assess the factors affecting Service quality on customer satisfaction in Panafric Global plc. This research was conducted from customers perceptive only. Even though there are different factors that affect service quality and customer satisfaction, in this research only five quality related dimensions was be used namely; tangibility, reliability, responsiveness, assurance, and empathy.

The study focused on considering only currently active clients working with Panafric Global. As the method of primary data collection, only questionnaire was used to conduct the study.

Conducting the study to all Panafric Global's ordering & receiving clients, importers and exporters is difficult because the population is infinite and it is hard to manage all of these customers so the study focused only on receiving clients which are selected for this study by their relationship with the company service.

Even though Panafric Global has total eight branches offices three in Addis Ababa four in different cities of Ethiopia and one in Djibouti. The study only focuses on the Addis Ababa Airport branch which is specialized in air shipments.

1.7 Significance of the Study

The study findings were identifying the existing strength or weakness of service quality delivery and level of customer's satisfaction experienced by customers. It provides results that could be useful to managers in business organizations for strategic planning.

This research will have a great deal of importance significance for the mangers of Panafric Global plc because it provides information about the level quality of service the company is

providing to its customers from the point of view of the customers. It will help them to know whether the company is delivering its promise to the customers and also it will provide their insight about the gap between customer's perception and expectation of service and ways to improve them. This in turn may contribute towards repeat business and enhance the revenue generated. The study is also being believed to add new knowledge on existing literatures and benefit both academicians and other practitioners as a documented study in this area.

1.8 Definition of terms

1.8.1 Conceptual Definition of terms

Customer service: - also defined as a series of activities designed to enhance the level of customer's satisfaction which is the feeling a product or service has met customer's expectations. (Oladepo & Abimbola 2014).

Service quality: - is the degree and direction of discrepancy between the consumer's perceptions and expectations or the extent to which a service meets or exceeds customer's expectations. Oladepo & Abimbola (2014).

Tangibility: - Appearance of physical facilities, equipment's, personnel and written materials (Parasuraman et al. 1985).

Reliability: - it's the ability to perform the promised service dependably and accurately (Parasuraman et al. 1985).

Responsiveness: - it's the willingness to help customers and provide prompt service (Parasuraman et al. 1985).

Assurance: - it's employee's knowledge and courtesy and their ability to inspire trust and confidence (Parasuraman et al. 1985).

Empathy: - it's being caring, individualized attention given to customers (Parasuraman et al. 1985).

1.8.2 Operational definition of terms

Logistics Industry: - It is an industry that is engaged with the combination of a firm's order management, customs clearing, inventory, transportation, warehousing, materials handling, and packaging as integrated throughout a facility network.

Cargo: - which is equivalent to the term “goods”.

Air Cargo service: - it's a department where are imported or exported good freighted by air transport and customer service is provided.

EAL Cargo Section:-is an office of Ethiopian Airlines Enterprise, it is responsible for the unloading, handling and storage of air cargo items passes through customs procedure. -

Client/Customer: -a natural or legal person who owns cargo items and delegate customs clearing agents to handle their items through customs clearing process. It can be Importer or Exporter.

1.9 Organization of the Study

This thesis consists of five chapters. The chapters are comprised of: Introduction, Review of Related Literature, Research Design and Methodology, Data presentation analysis and interpretation, and Summary of findings, Conclusions and Recommendations.

Chapter 1 presented the background of the research topic, outlined the research problem, research questions, objectives, scope, significance of the study, definition of key terms.

Chapter 2 reviews the existing literature on customer service and service concept, characteristics of service, service quality, models of service quality, customer satisfaction, service quality and customer satisfaction, empirical review, conceptual framework of the study finally present hypothesis of the study.

Chapter 3 discusses research approach, research design, data source, population of the study, sampling technique, method of data analysis that has been used in the study, reliability and validity test and ethical considerations has been included.

Chapter 4 presents the summarized findings of the study and discusses them in detail.

Chapter 5 incorporates summaries of major findings, conclusions and recommendations, limitations of the study and future research area.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Theoretical Review of Literature

2.1.1 Customer Service and Service Concept

Customer service also defined as a series of activities designed to enhance the level of customers' satisfaction which is the feeling a product or service has met customer's expectations. (Oladejo & Abimbola 2014).

The other issue in relation to service is the contention by (Johnston and Clark 2008) that service as an output has a substantial tangible component in as much as many product have intangible attributes. Customers buy an offering and the value that consist of many components, some of them being activities (service) and some being things (goods). As a consequence, the above scholars argue that traditional division between goods and services is long outdated (Gummesson, N. 1998).

The other dimension of service worth looking at is core products versus supplementary services. Many service products consist of a "bundle" that includes a variety of service elements and even some physical goods. A cluster of supplementary services are intended to add value to the core product and most services are secondary to core service. For instance, the core product of the lodging industry is a bed for the night while for airline is flight to destination. In lodging case luxury hotel could offer many additional services to enhance its guests' visit which is either free or carry a charge while airline flight offer meals and baggage which are supplementary services (Lovelock & Wright, 2001).

2.1.2 The Characteristics of Service

There are five main service characteristics: intangibility, inseparability, variability, perishability and lack of ownership (Kotler, et al., 2005).

Intangibility

Service intangibility means that services cannot be readily displayed, so they cannot be seen, tasted, felt, heard or smelt before they are bought. A buyer can examine in detail before purchase the color, features and performance of an audio hi-fi system that he or she wishes to buy. (Kotler, et al., 2005).

Inseparability

Physical goods are produced, put into inventory, distributed through multiple intermediaries, later sold to users and, still later, consumed. In contrast, services are first sold, then produced and consumed at the same time and in the same place. Service inseparability means that services cannot be separated from their providers, whether the providers are people or machines. If a service employee provides the service, then the employee is a part of the service. Because the customer is also present as the service is produced, provider– customer interaction is a special feature of services marketing. Thus, it is important for service staff to be trained to interact well with clients.

A second feature of the inseparability of services is that other customers are also present or involved. The concert audience, students in the class, other passengers in a train, and customers in a restaurant, all are present while an individual consumer is consuming the service. Their behavior can determine the satisfaction that the service delivers to the individual customers. Because of the simultaneity of service production and consumption, service providers face particular difficulty when demand rises (Kotler, et al., 2005).

Variability (heterogeneity)

As services involve people in production and consumption, there is considerable potential for variability. Service variability means that the quality of services depends on who provides them, as well as when, where and how they are provided. As such, service quality is difficult to control. The ability to satisfy customers depends ultimately on the behavior of frontline service employees. A brilliant marketing strategy will achieve little if they do their job badly and deliver poor-quality service (Kotler, et al., 2005).

Perishability

Service perishability means that services cannot be stored for later sale or use. Some dentists and general practitioners charge patients for missed appointments because the service value existed only at that point and disappeared when the patient did not show up (Kotler, et al., 2005).

Lack of ownership

When customers buy physical goods, such as cars and computers, they have personal access to the product for an unlimited time. They actually own the product. They can even sell it when they no longer wish to own it. In contrast, service products lack that quality of ownership. The service consumer often has access to the service for a limited time. Because of the lack of ownership, service providers must make a special effort to reinforce their brand identity and affinity with the consumer using one or more of the following methods:

They could reinforce the service brand identity and affinity with the customer.

They could offer incentives to consumers to use their service again, as in the case of

Frequent-flyer schemes

They could create membership clubs or associations to give a sense of belonging and ownership (Kotler, et al., 2005).

2.1.3 Service Quality

Quality is critical to corporate success as it plays a vital role in improving organizational productivity. Oladepo & Abimbola (2014) defines service quality as the degree and direction of discrepancy between the consumer's perceptions and expectations or the extent to which a service meets or exceeds customer's expectations.

Customer expectations are beliefs about a service that serve as standards against which service performance is judged (Zeithaml et al. 1993); which customer thinks a service provider should offer, rather than on what might be on offer. It is beliefs about a product or service before using it (Parasuram et al.1985).

On the other hand perceived service quality can be defined as the customers' perceptions of what the service firm actually offers suggests that, the consumer perceives service in his/her own unique, idiosyncratic, end-of-the-day, emotional, irrational and totally human terms...there is no such thing as fact or reality. There is only what the customer thinks is reality. In effect, perceptions are reality as far as the customer and service quality are concerned (Philip and Hazlett, 1997).

In the modern highly competitive business world, the key to sustainable competitive advantage lies in delivering high quality service that will intern, lead to satisfied customers. Customer satisfaction is considered a pre requisite of customer retention and loyalty, and can help to boost profitability, market share and return on investment. Lack of or failure to meet quality will lead an organization to lose all or some of its customers. A great emphasis is needed for a service to retain all its qualities that customers need.

According to Gronroos (1994) there are three dimensions of service quality stated as: 1. *Technical Quality*, which involves what the customer is receiving from the service delivery. This can be measured by the consumer in a rather objective manner. 2. *Functional Quality*, which involves the manner in which the service is delivered. This concerns the psychological interaction between the buyer and the seller perceived in a very subjective way, and would include elements such as: Attitudes and behaviour of employees; Approachability of service personnel; Accessibility of service; Appearance and personality of personnel; Relationship between employees, and Interrelationships between employees and customers. 3. *Corporate Image* dimension of quality is the result how consumers perceive the firm, and it is expected to be built up mainly by the technical and functional quality of its services, and will eventually affect service perceptions.

2.1.4 Models of Service Quality

2.1.4.1 Gap Model

By support of the concept, Kotler et, al (2006) dictate the five gaps influencing service quality as; **Gap 1:** Consumer expectations – management perceptions of consumer expectations.

Gap 2: Management perceptions of consumer expectations–service quality specifications actually set.

Gap 3: Service quality specifications – actual service delivery.

Gap 4: Actual service delivery – external communication about the service.

Gap 5: Gaps 1-4 together contribute to consumers’ expectations and perceptions of actual service.

2.1.4.2 Servqual

Zeithaml et al. (1993) presented a generic model and measurement system for perceived service quality, which is the SERVQUAL model. The model prior to SERVQUAL is “the gap model” by the same authors. The gap model presents 5 different gaps which a company should avoid. Gap 5, known as the customer gap, represents the specific construct measured upon in the SERVQUAL model. Parasuraman and colleagues found that regardless of the types of service, consumers use basically similar criteria in evaluating service quality.

They recognized the idea that service quality is a function of expectations, performance and the gaps, and conducted a broad-based exploratory study. They developed and refined the SERVQUAL, a multiple item instrument to quantify customer’s global assessment (as opposed to transaction specific) assessment of a company’s service quality. Their scale involved expectation-perception gap scored along five dimensions of reliability, responsiveness, assurance, empathy, and tangibles. Parasuraman et al., (1985) wherever a difference exists, it is classified as a gap. Metters, King-Metters, Pullman, and Watton (2006) the generic SERVQUAL model is illustrated below in Figure 2.2

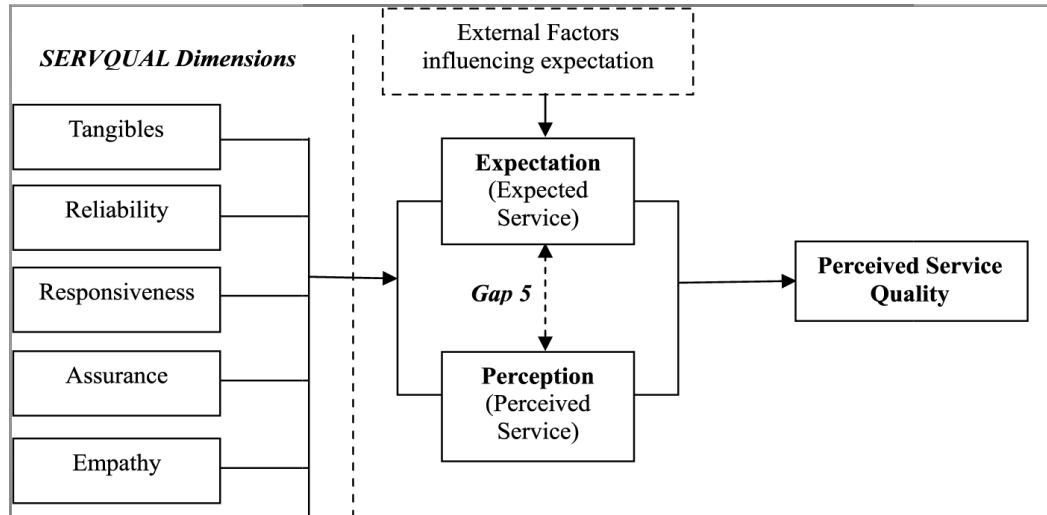


Figure 2.1: The SERVQUAL Model source Metters, King-Metters, Pullman, and Watton(2006)

Tangibles: The appearance of physical facilities, equipment, personnel and communication materials in the service process, such as cleanliness, appearance of staff and appropriate technical equipment for support and entertainment. In logistics industry, this may include the reception areas, the office location and equipment’s used as well as the company’s staff.

Reliability: This refers to ability to perform the promised service dependably and accurately. For example the consistency in meeting promises and the completion of tasks on-time. This ranges from adherence the published schedules to compliance with defined standard operating procedures.

Responsiveness: General willingness to help customers and provide prompt service, which refers to the ability of responding to individual customer requirements and showing sincere interest in problem solving.

Assurance: Includes the competence and courtesy of employees and their ability to convey trust and credibility. The dimension would include staff training in competent and courteous charisma among employees and the feeling of safety in the transactions with the customers.

Empathy: Encompasses the access to customers, communication to customers and understanding of customers resulting in individualized attention to customers. This is

considered a very important element in the in-flight service process and covers the level of individual and personal attention and the understanding of specific customer needs.

2.1.5 Customer Satisfaction

Several researchers emphasized the importance of customer service as a key for organizational success.

According to Kotler, Armstrong, Saunders, and Wong (2002) customer satisfaction is one of the major determinants of a firm's market share and profitability. Organizations that understand what customers really want and provide a product or service to meet these requirements can gain competitive advantage and profit. Higher customer satisfaction leads to greater customer loyalty which in turn leads to higher future revenue.

Generally speaking, if organizations improve their communication with their customers and commit themselves to delivering customer service and develop necessary competencies for it, they would be able to deliver the desired level of customer satisfaction and meet organizational goals.

Any business needs to understand customer needs, wants and demands. Customer expectations are based on past buying experiences, opinions of friends and market information. If we meet customer's expectations they are satisfied. Kotler, Bower, and Makens (2010). One of the ways a service firm can differentiate is by delivering consistently higher quality than its competitors.

Customer satisfaction is a function based on the difference between expected and perceived service. Consumers compare their expectations about the service to be provided with their perceptions concerning the service delivered and the more the perceived service exceeds expected service, the higher consumer satisfaction will be. Similarly, the more the perceived service does not meet the expected service, the higher the consumer dissatisfaction will be.

2.1.6 Service Quality and Customer Satisfaction

Issues of service quality and customer satisfaction lie at the heart of services marketing and management. Both are seen as desirable outputs of any service strategy.

Parasuraman et.al. (1985) maintain that customer satisfaction is distinct from service quality. Satisfaction is thought to result from the comparison between predicted service and perceived service, whereas service quality refers to the comparison between desired service and perceived service.

Customer satisfaction or dissatisfaction is the outcome of providing value that meets or doesn't meet the customer's need in that situation. Service quality must be measured as antecedent to both customer value and satisfaction, measure the value perceived by customers during usage, and measure the satisfaction or dissatisfaction that is the realized end state (Oakland,2000).

Some research indicates that although unsatisfactory service is more difficult to 'replace' than a bad product, if correctly handled service recovery can heighten customer loyalty. It is generally believed that an effective service recovery will have more impact on a customer's future purchase intentions than dissatisfaction felt as a result of the original service failure. Holloway (2002) Research also shows that focus on customer loyalty can provide several advantages.

Zeithaml and Bitner (2006) argue that high service quality leads to customer retention which has been shown in the long run to be cheaper than high levels of customer turn over. Also long-term customers tend to buy larger volumes and higher price premiums services and products. Very importantly, 'word-of-mouth' communications are affected in a positive way, being the most influential and convincing kind of communication in the field of services. If people talk positively too their potential customers about their experiences with the services delivered, the supplier's market share is likely to grow too. According to Mario (2006) in cargo operations, conditions and specific terms of carriage have to be complied with. Failure in doing this results in additional costs to meet damage expenses, rerouting at no extra costs and loss of business hence the need to address service quality issues.

Research suggests that Service Quality and satisfaction are distinct constructs, An explanation of the difference the two being that Perceived Service Quality is a form of attitude, a long-run overall evaluation, where satisfaction is a transaction specific measure. Parasuraman et.al.(1985) state that in measuring Perceived Service Quality, the level of comparison is what a consumer should expect, whereas in measure of satisfaction the appropriate comparison is what a consumer would expect.

Quality refers to some attribute of what is offered whereas satisfaction or dissatisfaction refers to a customer's emotive reaction to that offer. Kasperetal, (2006). This places the responsibility for quality on the organization whilst satisfaction lies with the individual customer's experience yet the two concepts are interrelated.

Satisfaction has to be experienced whereas customers may have views about an organization's service quality without ever experiencing the service. Service quality is often defined as the consumer's overall impression of the relative inferiority or superiority of the organization and its services. These judgments of satisfaction 'decay' into service quality-an overall attitude about the service (Johnston and Clark 2008).

To detect service failures, analyse failures and act to improve reliability and also recover when things go wrong. Service recovery is an integral part of defection management. The manner in which service failures are to be identified and handled and how recovery procedures can be used proactively to avoid customer defections should be considered as part of the service design process. Different recovery procedures will be needed to meet different kinds of failures, but they should share the same basic elements: information about the problem, resources to deal with the problem and the right attitudes on the part of suitably trained and empowered service-oriented staff (Holloway, 2002).

2.2. Empirical Review on service quality

Firms involved in international logistics must develop a system of service attributes that give them a way to be profitable and to satisfy customer's needs at the same time. Increasingly over past decades, there has been recognition from transport operators that improvement in transport service quality is critical in achieving a differential advantage over competition. Different scholars evaluate service quality in transportation sectors especially in maritime and cargo service and suggest their own dimensions.

Clare Anyango (2014) stated the Kenya Airways cargo with their facilities at the cargo terminal are equipped with modern equipment and conform to industry requirements in cargo 36 operations. The study established that most of the employees at Kenya Airways cargo are reliable and courteous in how they handle the cargo customers and they offer prompt service. The study revealed that customers are not satisfied with reliability in provision of services at

promised times, and also found the airline is not dependable when it comes to handling customer service problems. To remain competitive, the airline therefore needs to focus its operational strategies on ensuring schedule integrity and reliability and enhancement of service recovery initiatives when problems arise to increase service quality.

In a cross-sectional survey by Essiam (2013) the study adopted the SERVQUAL dimensions to examine the quality dimensions and patient satisfaction with healthcare delivery in a Public hospital. The findings indicated that patients' satisfaction is best explained by responsiveness, followed by empathy, assurance, tangibility, and reliability.

2.3 Conceptual Framework

In this framework, four service quality dimensions were used which are tangibility, reliability, responsiveness, assurance and empathy dimensions that influence service quality and customer satisfaction in logistics service operations.

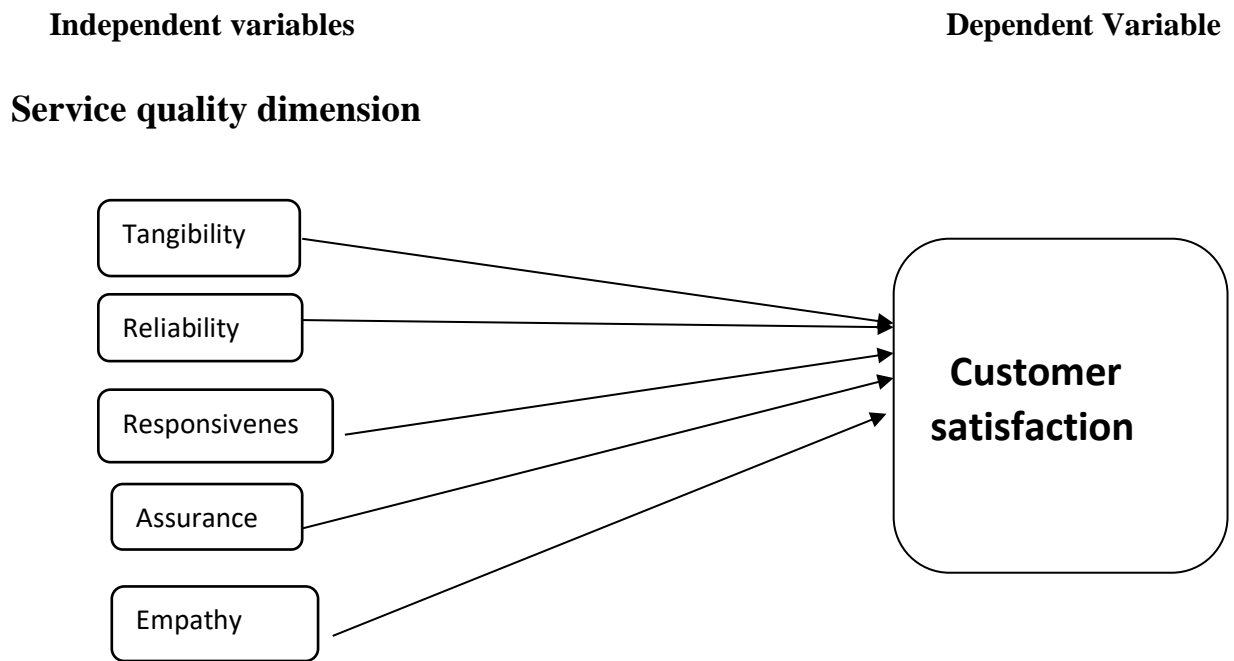


Figure 2.2: Conceptual Framework Parasuraman (1988)

2.3. Hypothesis

- **H1:** Tangibility has a positive and significant effect on customer satisfaction, the case of Panafric global.
- **H0:** Tangibility has not positive and significant effect on customer satisfaction, the case of Panafric global.
- **H2:** Reliability has a positive and significant effect on customer satisfaction, the case of Panafric global.
- **H0:** Reliability has not positive and significant effect on customer satisfaction, the case of Panafric global.
- **H3:** Responsiveness has a positive and significant effect on customer satisfaction, the case of Panafric global.
- **H0:** Responsiveness has not positive and significant effect on customer satisfaction, the case of Panafric global.
- **H4:** Assurance has a positive and significant effect on customer satisfaction, the case of Panafric global.
- **H0:** Assurance has not positive and significant effect on customer satisfaction, the case of Panafric global.
- **H5:** Empathy has a positive and significant effect on customer satisfaction, the case of Panafric global.
- **H0:** Empathy has not positive and significant effect on customer satisfaction, the case of Panafric global.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Research Approach

Kothari (2004, p. 3), “Quantitative research is based on the measurement of quantity or amount and applicable to phenomena that can be expressed in terms of quantity”. Qualitative research is fundamentally interpretive; this means that the researcher used an interpretation of the data. This includes developing description of an individual setting, analysing data for themes or categories, and finally making an interpretation or drawing conclusions about its meaning. This study used a mixed approach that is combination of qualitative and quantitative approach.

3.2 Research Design

According to Saunders, Lewis and Thorn hill (2009) broadly classified the research approach as exploratory and descriptive. The authors further defined exploratory research as a research approach which has a primary objective to insights into and understanding of the problem situation tackling the research and descriptive research as a type of a research approach that has a purpose to describe something. Moreover, if the research is concerned with learning of {why (i.e. how one variable produces changes in another)} the research is said to be explanatory. In other word explanatory research seek to establish cause-and-effect relationships. Thus, according to the above theoretical argument, in this study explanatory research design were used.

3.3 Source of Data

Basically, there are two types of sources of data: Primary and secondary sources of data. According to Malhotra (2005), primary data are originated by the researcher for the specific purpose of addressing the problem at hand. Secondary data’s are data that are collected for some purpose other than the problem at hand.

In order to answer raised research questions, both primary and secondary data sources was used in this study. The primary data collection method was performed using the use of structured questionnaire, it was distributed to selected respondents. Questionnaire is one of the most

important research instruments and for collecting primary data, a structured close ended questionnaire used as a primary source of data in this study. It is recommended to keep the questionnaire as short as possible and give it a logical and sequential structure so that the respondent can easily see what the questionnaire is about and can follow its themes as they go through them (Fisher, 2007). Secondary data were collected from books, journals, articles, Prior research works and Companies written documents.

3.4 Population and Sampling Technique

3.4.1 Population

The total populations of the study are all companies who import and export goods through Panafric global. The total customers that are served by the organization per day are 100-150 customers which are categorized under active customers. Thus, the average numbers of customers that get the PAG’s air cargo service for a month is 3250 customers. Even if the average number of customers for a month is known this number may vary from day to day. From the given population 356 sample respondents were taken. Yamane (1967:886) provides a simplified formula to calculate sample sizes. This formula was used to calculate the sample sizes of Panafric Global Plc.

Where N= is population of the study

$$n = \frac{N}{1+N(e)^2}$$

e= is Precision (5%)

$$n = \frac{3250}{1+3250((0.05)^2)} \quad n = \frac{356}{1}$$

n= is sample of the study

3.4.2 Sampling Technique

Sampling is the selection of a fraction of the total number of units of interest for the ultimate purpose of being able to draw general conclusions about the entire body of unit (Parasurman, 2004). There are two types of sampling techniques divided as probability and non-probability.

Probability sample is a sampling procedure in which each element of the population has a fixed probabilistic chance of being selected for the sampling. This requires not only a precise definition of the target population, but, also a general specification of the sampling frame

(Malhotra 2005). It includes samples based on simple random sampling, systematic sampling, stratified sampling, cluster/area sampling (Kothari, 2004).

In contrast, non-probability does not use chance selection procedure, but rather rely on the personal judgment of the researcher. As to Kothari (2004, p.15), non-probability samples are those based on convenience sampling, judgmental sampling and quota sampling techniques. Convenience sampling is technique in which a sample is drawn from that part of the population that is close to hand, readily available, or convenient (Anol 2012) Thus, the study used non probability sampling technique which is convenience sampling technique because the population is too large and it is impossible to include every individual and the respondents are included based on their convenient accessibility and proximity to the researcher.

3.5 Data Collection Instrument

Questionnaire is one of the most important research instruments for collecting primary data, a structured close ended questionnaire was used as a primary source of data in this study.

The questionnaire employed for this study was arranged into a five point Likert scale ranging from 1 for “Strongly Disagreed” to 5 for “Strongly Agreed”. The questionnaire is made up of two sections. The first section is made up of general information questions aimed to capture information related to the respondents. The second section is comprised of questions aiming to address the basic research questions and has 26 indicator questions headed by five service quality dimensions namely, Tangibility, Reliability, Responsiveness, Assurance and Empathy as independent variables and Customer Satisfaction as the dependent variable.

The questionnaires drafted in English language was translated into Amharic language by one of legally operating translation offices since they have the experience and proficiency in translation. The Amharic version of the questionnaire was intended for those respondents who have low proficiency in the English language. Voluntary respondents were asked with which version of the questionnaire they would be at ease to fill; the English or the Amharic version and then given the questionnaire accordingly.

3.6. Data Analysis

The data were collected from the questionnaires had been analysed and interpreted using statistical package for social science (SPSS) version 20.

To accomplish the study objective and to answer the stated research questions both descriptive and inferential statistics were used. Descriptive statistics such as frequencies, percentages, means and standard deviations were used to summarize and present the data. With regard to inferential statistics, Cronbach's Alpha test were used to assure reliability of the items. Correlation analysis and multiple regressions also used in order to analyse the impact and the relationship between the dependent and independent variables.

3.7. Reliability and Validity

3.7.1. Reliability

The reliability test is an important instrument to measure the degree of consistency of an attribute which it is supposed to be measured. As stated by (Monette, *at el.*, 2002), the less variation of the instrument produces in repeated measurements of an attribute, the higher its reliability. Reliability can be equated with the stability, consistency, or dependability of a measuring tool. Cronbach's alpha is one of the most commonly accepted measures of reliability. It measures the internal consistency of the items in a scale. It indicates that the extent to which the items in a questionnaire are related to each other. It also indicates that whether a scale is one-dimensional or multidimensional. The normal range of Cronbach's coefficient alpha value ranges between 0-1 and the higher values reflects a higher degree of internal consistency. Different authors accept different values of this test in order to achieve internal reliability, but the most commonly accepted value is 0.70 as it should be equal to or higher than to reach internal reliability (Hair et al., 1998).

3.7.2. Validity

Validity, often called construct validity, refers to the extent to which a measure adequately represents the underlying construct that it is supposed to measure (Anol, 2012). In relation to the study validity measurements were used. Content validity was used that is the extent to which a

measuring instrument provides adequate coverage of the topic under study (Kothari, 2004). In this study case the researcher, used four service quality dimensions which are important dimensions used to measure service quality. To validate the instruments, experts working on the area were contacted. Moreover, it was cross checked by the research advisor.

Before going any further, a pre-test was made for reliability and validity. Reliability is the degree to which the measure of a construct is consistent or dependable (Bhattacharjeend, 2012). out of the 30 copies of questionnaires distributed for the pilot survey, 26 questionnaires were completed and returned. The Cronbach Alpha was used to test reliability of the scales used from the pre-test sample. For this study Cronbach’s alpha was used to assess the internal consistency of variables in the research instrument.

Measurement	Number of items	Cronbach's alpha
Tangibility	4	.782
Reliability	6	.808
Responsiveness	5	.715
Assurance	5	.735
Empathy	4	.814
Overall satisfaction	2	.726
Reliability off all items	26	.828

Source: survey result (2020)

The table shows that all the constructs were fulfilled the recommended cut-off point of the alpha, which Cronbach’s Alpha .782 for Tangibility, .808 for Reliability,.715 for Responsiveness, .735 for Assurance, .814 for Empathy and. 726 for overall satisfaction. The overall Cronbach Alpha Coefficient for all items is also. 828. To sum up, all the constructs have confirmed as reliable variables that can be taken as an indication of acceptability of the scale for further analysis.

3.8. Ethical Considerations

In the context of research, according to Saunders, Lewis and Thornhill (2009) “. . . ethics refers to the appropriateness of your behaviour in relation to the rights of those who become the subject of your work, or are affected by it”. The data were collected from those of willing sample respondents without any unethical behaviour or forcefully action. The results or a report of the study is used for academic purpose only and response of the participants is confidential and analyses in aggregate without any change by the researcher. In addition, the researcher respects the work of previous investigations or study and cited appropriately those works that has been taken as a basis.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1. Introduction

In this chapter, the results that are obtained from the study are analysed, presented and interpreted in detail. This chapter begins by presenting respondents profile followed by a descriptive statistic, correlation and regression analysis respectively. A total of 356 questionnaires were distributed to Panafric global plc customers. Among 356 questionnaires a total 300 (77.9%) questionnaires were returned and analysed, while the remaining 56 (22.1%) questionnaires were not included due to incompleteness of the questionnaire.

4.2. General profile of the respondents

Table 4.1 Respondents personal profile

		Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	172	59.3	59.3	59.3
	Female	128	40.7	40.7	100.0
Age	30 years and below	51	10.0	10.0	10.0
	31-40	161	49.3	49.3	59.3
	41- 50	49	32.7	32.7	92.0
	51 and above	39	8.0	8.0	100.0
Educational Background	Diploma	47	26.0	26.0	26.0
	Degree	180	47.3	47.3	73.3
	Masters	54	18.0	18.0	91.3
	PhD and above	19	8.7	8.7	100.0
Frequency of usage	1-3	38	7.3	7.3	7.3
	4-6	61	40.0	40.0	47.3
	Above 6	201	52.7	52.7	100.0

Source: survey result (2020)

The table shows that gender of the respondents, among the total population 59.3% of the respondents are male and 40.7% of the respondents are female. And the second table shows the age of the respondents (10.0 %) of them were under 30 years; (49.3%) of them were between 31 & 40 years, (32.7%) of them were between 41 & 50 years and (8.0%) of them were greater or equal to 50. Item three in the above table presents educational background of respondents 26.0 % of respondents were diploma holders, 47.3 % of the total respondents are degree holder, among the total population 18.0% of the respondents are master's holder finally from the total population there is (8.7%) were PhD holder. The last item in the above table presents frequency of usage. 7.3%, 40.0% and 52.7% of respondents use the Panafric Global's service from 1-3, 4-6 and above 6 times within a year respectively.

4.2.1. Test of Reliability and Validity

The reliability test is an important instrument to measure the degree of consistency of an attribute which it is supposed to measure. As stated by (Anol, 2012)., the less variation of the instrument produces in repeated measurements of an attribute, the higher its reliability. Reliability can be equated with the stability, consistency, or dependability of a measuring tool. Cronbach's alpha is one of the most commonly accepted measures of reliability. It measures the internal consistency of the items in a scale. It indicates that the extent to which the items in a questionnaire are related to each other. It also indicates that whether a scale is one-dimensional or multidimensional. The normal range of Cronbach's coefficient alpha value ranges between 0-1 and the higher values reflects a higher degree of internal consistency. Different authors accept different values of this test in order to achieve internal reliability, but the most commonly accepted value is 0.70 as it should be equal to or higher than to reach internal reliability (Hair., 2009).

The table below shows the value of alpha for each dimension as a whole. which shows the measure has internal consistency.

Table 4.1.1 Cronbach’s alpha test for independent variables

Measurement	Number of items	Cronbach's alpha
Tangibility	4	.883
Reliability	6	.966
Responsiveness	5	.789
Assurance	5	.806
Empathy	4	.903
Overall satisfaction	2	.727
Reliability off all items	26	.932

Source: survey result (2020)

The table shows that all the constructs were fulfilled the recommended cut-off point of the alpha, which Cronbach’s Alpha .883 for Tangibility, .966 for Reliability,.789 for Responsiveness, .806 for Assurance, .903 for Empathy and. 727 for overall satisfaction. The overall Cronbach Alpha Coefficient for all items is also. 932. To sum up, all the constructs have confirmed as reliable variables that can be taken as an indication of acceptability of the scale for further analysis.

4.3. Service quality dimensions

4.3.1 Description of Tangibility

The mean value represents the average of all customer response on certain dimensions while, standard deviation shows how diverse the responses of the respondents are that means if the standard deviation shows smaller number, it indicates that the response of the respondents shows close opinions and when the standard deviation is high, it indicates the response of the respondents shows high variation. According to Zaidatol & Bagheri (2009)

Table 4.2Description of Tangibility

Mean Score	Description
<3.39	Low
3.40 -3.79	Moderate
>3.80	High

Table 4.3 Customer Satisfaction on Tangibility Dimensions

Descriptive Statistics

	N	Mean	Std. Deviation
The organization follows the most efficient and appropriate air shipment clearing procedure in the cargo terminal import section.	300	3.36	1.382
The employees delivering the services are neat, disciplined and professional in their appearance.	300	3.43	1.397
The organization use IT equipment's and all communication technology options to perform the operation and provide website or email address for handling any customer request .	300	3.75	1.317
Available of transportation and other additional facilities.	300	3.31	1.331
TA	300	3.4617	1.16785
Valid N (listwise)	300		

Source: survey result (2020)

The average mean for tangibility dimension question that says “Available of transportation and other additional facilities” is 3.31 which is below 3.39 that shows most respondents do not believe that there are available facilities. Tangibility questions number one that says “The organization follows the most efficient and appropriate air shipment clearing procedure in the cargo terminal import section.” is also categorized in this class which shows low tangibility dimension that means there is no a strong follow up & communication. Among the four means that used to measure the tangible dimensions of service quality the part where the employees are well groomed and neat in appearance shows the highest mean or the smallest gap when we compare it to the others. The next highest mean from the tangibles is for “The organization use IT equipment's and all communication technology options to perform the operation and provide

website or email address for handling any customer request.” that is also in moderate class that most respondents agree that there is sufficient equipment’s.

4.3.2 Description of Reliability

Table 4.4 Customer Satisfaction on reliability Dimensions

Descriptive Statistics			
	N	Mean	Std. Deviation
The organization provides quality service consistently.	300	2.13	1.224
Panafic global always keeps its promise and delivers what they have promised.	300	2.19	1.323
Employees of the company show sincere interest in solving the problems you have as a customer.	300	2.52	1.557
There is a timely delivery of service and every information is communicated on the right time.	300	2.23	1.507
Records that are needed are kept accurately and every document arrived at destination safe and on time with the shipment.	300	1.59	1.260
There is reliability in shipment Safety & security(there is no loss& damage goods).	300	2.13	1.224
RE	300	2.1311	1.25268
Valid N (listwise)	300		

Source: survey result (2020)

The mean value for reliability dimension questions are all classified in low level category since the results lie under 3.39 mean value that shows there is a higher gap between the question and their response. For the first and six reliability questions that says “The organization provides quality service consistently” and “There is reliability in shipment Safety & security (there is no

loss & damage goods).” respectively has a mean value of 2.13. Reliability question number two, four and five that are “Panafric global always keeps its promise and delivers what they have promised.” “There is a timely delivery of service and every information is communicated on the right time. ”and “Records that are needed are kept accurately and every document arrived at destination safe and on time with the shipment.” have a mean value of 2.19,2.23 and 1.59 respectively. The highest mean or the lowest gap lies on the third reliability question which is “Employees of the company show sincere interest in solving the problems you have as a customer.” is 2.52 that is still low but better compared with the other reliability dimension questions.

4.3.3 Description of Responsiveness

Table 4.5 Customer Satisfaction on Responsiveness Dimensions

Descriptive Statistics			
	N	Mean	Std. Deviation
Information is kept in a way to be easily obtainable by a customer at any time.	300	2.78	1.284
The employee gives prompt service.	300	2.91	1.310
The employees are always willing to help a customer.	300	3.61	.918
Employees in the Panafric global plc are never too busy to attend to customer inquiries and requests.	300	3.53	1.034
Employees are willing to accept feedback and comments on irregularities.	300	3.19	1.189
RS	300	3.2053	.85230
Valid N (listwise)	300		

Source: survey result (2020)

Regarding the responsiveness dimension questions there is a high gap between the objective to be met and the actual result. That means all the four questions except one lied on the low mean value category which is 2.78, 2.91 and 3.19 that's all are below 3.39 that shows a highest gap. Only responsiveness question number three is in moderate case that says "the employees are always willing to help a customer" has a mean value of 3.61 and also "Employees in the Panafric global plc are never too busy to attend to customer inquiries and requests " has mean value of 3.53 is in moderate case.

4.3.4 Description of Assurance

Table 4.6 Customer Satisfaction on Assurance Dimensions

Descriptive Statistics			
	N	Mean	Std. Deviation
The behaviour of employees in the Panafric global plc helps build the confidence of the customers.	300	3.78	1.350
Customer feels safe on the service provided by employees	300	3.44	1.229
Employees in Panafric global service centre are consistently courteous with you.	300	4.36	.771
Employees in Panafric global have the knowledge to answer customer's questions.	300	4.37	.773
The organization has strong system to understand and reassure customers problems.	300	3.87	1.151
AS	300	3.9640	.81168
Valid N (listwise)	300		

Source: survey result (2020)

The customer feels safe on the service provided by employees and the behaviour of employees in the Panafric global plc helps build the confidence of the customers have mean value of 3.44 and 3.78 respectively the mean they are in moderate level of mean value which shows most respondents agree on the questions. The highest mean value for assurance dimension questions is laid on the fourth, five and six questions with mean value of 4.36, 4.37 and 3.87 respectively.

4.3.5 Description of Empathy

Table 4.7 Customer Satisfaction on Empathy Dimensions

Descriptive Statistics			
	N	Mean	Std. Deviation
The employees give customers individual attention.	300	3.32	1.323
The employees give customers personal services when the need arises.	300	3.41	1.516
Panafric global service has your best interest at heart.	300	3.49	1.370
The employees understand the specific needs of their customers.	300	3.79	1.260
EM	300	3.5050	1.20592
Valid N (listwise)	300		

Source: survey result (2020)

“The employees give customers individual attention” have mean value of 3.32 which is under 3.39. On the other hand, three empathy dimension questions “The employees give customers personal services when the need arises”, “Panafric global service has your best interest at heart”, “The employees understand the specific needs of their customers” lies in moderate case with mean value of 3.41, 3.49 and 3.79 respectively.

4.3.6 Description of overall customer satisfaction

Table 4.8 Customer Satisfaction on overall satisfaction Dimensions

	N	Mean	Std. Deviation
There is a difference between Perceived and expected service.	300	3.51	.610
Satisfied by the services we deliver.	300	2.78	1.029
Overall satisfaction	300	3.1467	.74982
Valid N (listwise)	300		

Source: survey result (2020)

As table shows the mean score is 3.51 which indicates that there is a high gap between customer's expectation and perceived service. In other word there is a big gap between what it should be and what it actually is. The second item which is the satisfaction of services deliveries by PAG with a mean score of 2.78. This means score indicate that most customers agree that they cannot get the service as they expect so they are less satisfied with the service. Generally, the mean value for customer satisfaction is 3.14. The mean value for overall customer satisfaction is low because it is less than 3.39.

4.4 Correlation Analysis

Correlation analysis helps the researcher to investigate the direction and strength of relationships between service quality dimensions and customer satisfaction in PAG. The correlation coefficient is scaled so that it is always between -1 and +1. When r is close to 0 this means that there is little relationship between the variables and the farther away from 0. r is, in either the positive or negative direction, the greater the relationship between the two variables. If there is perfect linear relationship with positive slope between the two variables, we have a correlation coefficient of 1; if there is positive correlation, whenever one variable has a high (low) value, so does the other. If there is a perfect linear relationship with negative slope between the two variables, we have a correlation coefficient of -1; A correlation coefficient of 0 means that there is no linear relationship between the variables. Field (2009).

Table 4.9 correlation value of coefficient

Value of coefficient	Relation between variables
0.70-0.90	Very strong association
0.50-0.69	Substantial association
0.30-0.49	Moderate association
0.10- 0.29	Low association
0.01-0.09	Negligible association

Table 4.10 :Correlation matrix between service quality dimensions and customer satisfaction

		Correlations					
		Tangibility	Reliability	Responsiveness	Assurance	Empathy	Overall satisfaction
Tangibility	Pearson Correlation	1	.282**	.382**	.317**	.216**	.502**
	Sig. (2-tailed)		.000	.000	.000	.008	.000
	N	300	300	300	300	300	300
Reliability	Pearson Correlation	.282**	1	.494**	.400**	.308**	.723**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	300	300	300	300	300	300
Responsiveness	Pearson Correlation	.382**	.494**	1	.644**	.483**	.766**
	Sig. (2-tailed)	.000	.000		.000	.000	.000
	N	300	300	300	300	300	300
Assurance	Pearson Correlation	.317**	.400**	.644**	1	.533**	.647**
	Sig. (2-tailed)	.000	.000	.000		.000	.000
	N	300	300	300	300	300	300
Empathy	Pearson Correlation	.216**	.308**	.483**	.533**	1	.573**
	Sig. (2-tailed)	.008	.000	.000	.000		.000
	N	300	300	300	300	300	300
Overall satisfaction	Pearson Correlation	.502**	.723**	.766**	.647**	.573**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	300	300	300	300	300	300

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Survey Result, SPSS (2020)

The results indicate that, there is positive and strong relationship between responsiveness and customer satisfaction ($r = 0.766, < 0.01$), reliability and customer satisfaction ($r = 0.723, P < 0.01$). on the other hand, there is substantial positive correlation among assurance and customer satisfaction ($r = 0.647, p < 0.01$), empathy and customer satisfaction ($r = 0.573, P < 0.01$) and tangibility and customer satisfaction ($r = 0.502, P < 0.01$).

4.5. Test for Linear Regression Model Assumptions

4.5.1 Normality Assumption

Normality of distribution can be tested by using histogram with a normal curve. As shown in the Figures from the Appendixes residuals were normally distributed around its mean of zero which indicates that the data were normally distributed and it was consistent with a normal distribution assumption. As the figures confirmed the normality assumption of the data, this implies that the inferences made about the population parameters from the sample statistics tend to be valid.

Table 4.11 Normality Test

Descriptive Statistics					
	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
TA	300	-.692	.198	-.215	.394
RE	300	.536	.198	-1.094	.394
RS	300	-.114	.198	-.955	.394
AS	300	-.515	.198	.161	.394
EM	300	-.584	.198	-.569	.394
OS	300	.467	.198	-1.555	.394
Valid N (listwise)	300				

source: Survey Result, SPSS (2020)

According to Yi (1988) one of the first thing that should be taken care of before proceeding in to the main part of the analysis, is to check whether the datas are normally distributed or not. For this checking, Yi (1988) suggests that, the standardized skewness distribution result and Kurtosis result must be between the ranges of ± 2.58 . According to the above table, both the standardized skewness and kurtosis results fall in the given range. So, this was a good signal to start with the

subsequent analyses since the data are normally distributed (see the detail graphical presentation in Appendix).

4.5.2 Checking for Linearity

The linearity of the relationship between the dependent and independent variable represented the degree to which the change in the dependent variable is associated with the independent variable (Hair et al., 1998). In a simple sense, linear models predict values falling in a straight line by having a constant unit change (slope) of the dependent variable for a constant unit change of the independent variable (Hair et al., 1998). The regression model can be expressed in a linear way. Checking the linearity between y and x variables can be done by plotting the independent variables against the dependent variable Akroush, N. (2003) (see Appendix B).

4.5.3 Testing Multicollinearity

Multicollinearity refers to the situation in which the independent variables are highly correlated. When the independent variables are multi-co linearity, there is overlap or sharing of predictive power. When the predictor variables are correlated among themselves, the unique contribution of each predictor variable is difficult to assess. One should check for the problem of multicollinearity which is present if there are high correlations between some of the independent variables. The study checks this with the Variance Inflation Factor (VIF) which calculates the influence of correlations among independent variables on the precision of regression estimates. The VIF factor should not exceed 10, and should ideally be close to one. Tolerance is an indicator of how much of the variability of the specified independent variable is not explained by the other independent variables in the model and is calculated using the formula $1-R^2$ for each variable. If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multicollinearity.

Table 4.12 Multi-collinearity Test

Coefficients ^a			
Model	Collinearity Statistics		
	Tolerance	VIF	
1	Tangibility	.836	1.196
	Reliability	.735	1.361
	Responsiveness	.481	2.078
	Assurance	.512	1.954
	Empathy	.681	1.469

a. Dependent Variable: Overall satisfaction

Source: Survey Result, SPSS (2020)

The result in the above table show that the collinearity between independent variables has no series problem Since the value of tolerance for all independent variable is greater than 0.1 and all VIF is less than ten (VIF<10).

4.6. Multiple regression analysis

4.6.1. Regression between service quality dimensions and customer satisfaction

Table 4.13 Model summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.906 ^a	.820	.814	.32327

a. Predictors: (Constant), EM, TA, RE, AS, RS

Source: Survey Result, SPSS (2020)

The model summary table shows an Adjusted R-Square value is 0.814 which means that 81.4% of the customer satisfaction at Panafric global is explained by the total variation of service quality dimensions such as tangibility, reliability, responsiveness, assurance and empathy. In other words, this means that 18.6 % of the dependent variable i.e customer satisfaction cannot be

explained by these five variables and that there must be other variables that have an influence on the outcome.

Table 4.14 ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	68.725	5	13.745	131.530	.000 ^b
Residual	15.048	144	.105		
Total	83.773	149			

a. Dependent Variable: OS

b. Predictors: (Constant), EM, TA, RE, AS, RS

Source: Survey Result, SPSS (2020)

From the ANOVA table, it is possible to see the overall significant of the model. The mean squares can be calculated by dividing the sums of squares by the associated degrees of freedom. F-ratio is a test of the null hypothesis that the regression coefficients are all equal to zero. The table shows that the F-value shows a value of (131.530) and p-value (.000), which is less $p < 0.05$, the model is significant. This indicates that the variation explained by the model is not due to chance. Therefore, we can conclude that our regression model results in significantly better prediction of customer satisfaction and that the regression model overall predicts customer satisfaction significantly well.

Table 4.15. Regression result of service quality dimension and overall customer satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.460	.140		3.295	.001
1 Tangibility	.118	.025	.184	4.773	.000
Reliability	.242	.025	.404	9.797	.000
Responsiveness	.294	.045	.334	6.559	.000
Assurance	.104	.046	.112	2.276	.024
Empathy	.116	.027	.187	4.376	.000

a. Dependent Variable: Overall satisfaction

Source: Survey Result, SPSS (2020)

The regression model of this study can now be properly written in an equation as follows:

$$\hat{Y} = 0.460 + 0.118 X_1 + 0.242 X_2 + 0.294 X_3 + 0.104 X_4 + 0.116 X_5$$

The regression model from the above table shows that keeping other variables constant, a one unit increase in tangibility will bring a 0.118 unit increase in customer satisfaction of PAG, a one unit increase in reliability will bring a 0.242 unit increase in customer satisfaction of PAG, a one unit increase in responsiveness will bring a 0.294 unit increase in customer satisfaction of PAG, a one unit increase in assurance will bring a 0.104 unit increase in customer satisfaction of PAG and a one unit increase of empathy will cause a 0.116 unit increase in customer satisfaction of PAG.

4.7 Hypothesis testing

H₁ = Tangibility have a positive and significant effect on customer satisfaction in the case of Panafric global plc.

Tangibility dimensions refer to appearance of physical facilities, equipment, personnel and communication materials. The correlation analysis in table 4.10 illustrates that tangibility has a moderate association with a value of 0.502. Conversely the P value is 0.000 which is statistically significant because $P < 0.05$ which is indicated in table. Consequently, this hypothesis is accepted.

H₂ = Reliability have a positive and significant effect on customer satisfaction in the case of Panafric global plc.

It deals the ability to perform the promised service dependably and accurately. The correlation in table 4.10 shows that reliability is positively related with customer satisfaction with a value of 0.723. The impact is also statistically significant because $P < 0.05$ which is indicated in table with P value of 0.000. Therefore, this hypothesis is accepted.

H₃ = Responsiveness have a positive and significant effect on customer satisfaction in the case of Panafric global plc.

This quality dimension deals with employee's willingness to help customers and to provide prompt service. In table 4.10 the relationship between responsiveness and customer satisfaction

is positive with a value of 0.766. The impact is also statistically significant because $P < 0.05$ which is indicated in table with P value of 0.000. Therefore, this hypothesis is accepted.

H₄= Assurance have a positive and significant effect on customer satisfaction in the case of Panafric global plc.

Assurance dimensions are related employee's knowledge and courtesy and their ability to inspire trust and confidence. As shown in table 4.10 assurance are positively related with customer satisfaction with a value of 0.647. As indicated in table the impact between assurance and customer satisfaction is significant with p value of 0.024 which is less than 0.005. Therefore, the hypothesis is accepted.

H₅=Empathy have a positive and significant effect on customer satisfaction in the case of Panafric global plc.

This quality dimension deals with caring, individualized attention given to customers. In table 4.10 the relationship between empathy and customer satisfaction is positive with a value of 0.573. The impact is also statistically significant because $P < 0.05$ which is indicated in table with P value of 0.000. Therefore, this hypothesis is accepted.

Table 4.16. Hypothesis summary**Hypothesis Summary**

Hypothesis	Result	Reason
H1: Tangibility have a positive and significant effect on customer satisfaction in the case of Panafric global plc.	Accepted	$\beta=0.118$, $p<0.05$
H0: Tangibility has not positive and significant effect on customer satisfaction, the case of Panafric global plc.	Rejected	
H2: Reliability have a positive and significant effect on customer satisfaction in the case of Panafric global plc.	Accepted	$\beta = 0.242$, $p<0.05$
H0: Reliability has not positive and significant effect on customer satisfaction, the case of Panafric global plc.	Rejected	
H3: Responsiveness have a positive and significant effect on customer satisfaction in the case of Panafric global plc.	Accepted	$\beta =0.294$, $p<0.05$
H0:Responsiveness has not positive and significant effect on customer satisfaction, the case of Panafric global plc.	Rejected	
H4: Assurance have a positive and significant effect on customer satisfaction in the case of Panafric global plc.	Accepted	$\beta =0.104$, $p<0.05$
H0: Assurance has not positive and significant effect on customer satisfaction, the case of Panafric global plc.	Rejected	
H5: Empathy have a positive and significant effect on customer satisfaction in the case of Panafric global plc.	Accepted	$\beta =0.116$, $p<0.05$
H0: Empathy has not positive and significant effect on customer satisfaction, the case of Panafric global plc.	Rejected	

Hypotheses (H1)

Tangibility have a positive and significant effect on customer satisfaction in the case of Panafric global plc. (PAG). As observed from correlation matrix table 4.10 Tangibility and customer satisfaction of Panafric global plc were positively correlated with correlation coefficient of 0.502 significant at p-value equal to zero. Provided that accept alternative hypothesis H1. (Al-Hawary

et al., (2011) stated that tangibility has a positive and significant effect on customer satisfaction. Munusamy et al., (2010) finds that tangibility has a positive and significant effect on customer satisfaction. In addition to this tangibility have a positive and significant effect on customer satisfaction (Mohammad and Alhamadani (2011). The result of correlation of the above three researches are related with my research hypothesis.

Hypotheses (H2)

Reliability have a positive and significant effect on customer satisfaction in the case of Panafric global plc. (PAG). As observed from correlation matrix table 4.10 Reliability and customer satisfaction of Panafric global plc were positively correlated with correlation coefficient of 0.723 significant at p-value equal to zero. Provided that accept alternative hypothesis H1. Al-Hawary et al., (2011) stated that Reliability have a positive and significant effect on customer satisfaction. Munusamy et al., (2010) finds that Reliability has a positive and significant effect on customer satisfaction. The result of correlation of the above two researches are related with my research hypothesis.

Hypotheses (H3)

Responsiveness have a positive and significant effect on customer satisfaction in the case of Panafric global plc. (PAG). As observed from correlation matrix table 4.10 Responsiveness and customer satisfaction of Panafric global plc were positively correlated with correlation coefficient of 0.766 significant at p-value equal to zero. Provided that accept alternative hypothesis H1. Al-Hawary et al., (2011) stated that Responsiveness have a positive and significant effect on customer satisfaction. In addition to this Responsiveness have a positive and significant effect on customer satisfaction (Mohammad and Alhamadani (2011). The result of correlation of the above two researches are related with my research hypothesis.

Hypotheses (H4)

Assurance have a positive and significant effect on customer satisfaction in the case of Panafric global plc. (PAG). As observed from correlation matrix table 4.10 Assurance and customer satisfaction of Panafric global plc were positively correlated with correlation coefficient of 0.647 significant at p-value equal to zero. Provided that accept alternative hypothesis H1. Al-Hawary et

al., (2011) stated that Assurance have a positive and significant effect on customer satisfaction. Malik et al., (2011) finds that Assurance has a positive and significant effect on customer satisfaction. In addition to this Assurance have a positive and significant effect on customer satisfaction (Mohammad and Alhamadani (2011). The result of correlation of the above three researches are related with my research hypothesis.

Hypotheses (H5)

Empathy have a positive and significant effect on customer satisfaction in the case of Panafric global plc. (PAG). As observed from correlation matrix table 4.10 Empathy and customer satisfaction of Panafric global plc were positively correlated with correlation coefficient of 0.573 significant at p-value equal to zero. Provided that accept alternative hypothesis H1. Empathy have a positive and significant effect on customer satisfaction (Mohammad and Alhamadani (2011). The result of correlation of the above researcher are related with my research hypothesis.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

The objective of this thesis was to assess service quality and customer satisfaction in PAG. In order to accomplish this objective, the researcher used five service quality dimension which are Tangibility, Reliability, Responsiveness, Assurance and Empathy quality dimensions to assess service quality and customer satisfaction.

5.2 Summary of Major Finding

- Demographic characteristics of the respondents shows that 59.3% of the respondents are male and 40.7% of the respondents are female. majority of the respondents were age group between 31-40(49.3%). In regarding educational background of the respondents (47.3%) are degree holders. On average usage frequencies of the respondents were 52.7% (above 6 times) within a year.
- The data analysis also shows that there is a huge gap between expected and perceived service with a mean of 3.51 and also the overall satisfaction of the organization's customer is low. As a general, the result of the study shows that the selected customers did not have good attitudes towards the service quality of the organization.
- The correlation results indicate that, there is positive and strong relationship between responsiveness and customer satisfaction ($r = 0.766, < 0.01$), reliability and customer satisfaction ($r = 0.723, P < 0.01$). on the other hand, there is substantial positive correlation among assurance and customer satisfaction ($r = 0.647, p < 0.01$), empathy and customer satisfaction ($r = 0.573, P < 0.01$) and tangibility and customer satisfaction ($r = 0.502, P < 0.01$).
- The effect of each independent variables on customer satisfaction with PAG service are, 0.118, 0.242, 0.294, 0.104 and 0.116 respectively, based on the above table by examining the beta weight of data analysis result, the finding shown that responsiveness making relatively larger contribution to the prediction model. However, assurance,

empathy and tangibility dimensions has less significant effect on the level of customer satisfaction with the value of 0.104, 0.116, 0.118 respectively. In general customer satisfaction is primarily predicted by higher level of responsiveness and reliability dimensions, and to a lesser extent by assurance, empathy and tangibility dimensions in PAG.

- Based on the data analysis the entire hypotheses made were tested and tangibility, reliability, responsiveness, assurance and empathy dimensions have a significant effect and an impact on customer satisfaction so the hypotheses are accepted.
- The linear combination of service quality dimensions or predictors i.e. tangibility, reliability, responsiveness, assurance and empathy explain 81.4% of the variance in customer's satisfaction and the remaining 18.6 % is explained by extraneous variables, which have not been included in this study.

5.3 Conclusion of the study

The main purpose of the study was to assess service quality and customer satisfaction in Panafric global services (PAG). Questionnaire on dimensions of service quality and customer satisfaction were distributed to customers of (PAG).

From the selected sample, the finding indicates that service quality of the organization is poor. Based on the result of correlation the relationship between reliability and responsiveness dimensions and overall satisfaction is significant and strongly associated and there is positive and moderate correlation with tangibility, assurance and empathy dimensions and overall customer satisfactions according. Based on the data analysis the entire hypotheses were tested all dimensions have a significant effect and an impact on customer satisfaction so the hypotheses are accepted.

The above analysis and conclusions imply that care must be specially given to the responsiveness of service provision where employees' knowledge, professionalism, attitude and behaviour, willingness are important to enhance the firm's service quality image. Reliability dimensions, such as reliability of service performance, availability of timely information, safety and security are critical part to indicate service quality in cargo services.

The overall service quality of the company has a low mean value which shows relatively a higher gap with what it should be and what it actually is.

5.4 Recommendation

Based on the results of the analysis and conclusion made the following recommendations are forwarded by the researcher.

- From items of **tangibility** Panafric global follows the most efficient and appropriate air shipment clearing procedure in the cargo terminal import section, which shows low tangibility dimension that means there is no strong follow up & communication. So, clients should be updated frequently & strong operational follow up is required from all departments. And also available of transportation and other facilities score low mean. in order to improve this problem, the company should provide more transportation & additional facilities in handling any customer requests which directly helps to improve service quality.
- From items of **responsiveness**, Information is kept in a way to be easily obtainable by a customer at any time, the employee gives prompt service, Employees are willing to accept feedback and comments on irregularities scored low mean value so the company must first satisfy its employees in order to increase their willingness and readiness to deliver the quality service in which satisfied employees will satisfy external customers. It is also necessary in the part Panafric to establish mechanism to make information easily availability to its customers. They should Provide job training to the employees which focus on general communication skill and customer handling skill will improve the service interaction between the employee and customers. This will help to provide quick response to customers.
- From items of **Assurance**, customer didn't feel safe on the service provided by employees. in order to solve the problem, the company should improve its service by providing staff trainings in competent and in building courteous charisma among employees and the feeling of safety in the transactions with the customers.

- From items of **Reliability**, the organization did not provide quality service consistently, Panafric global didn't always keep its promise and delivers what they have promised, there is a gap in timely delivery of service and every information is not communicated on the right time. Panafric global should provide consistent service, keep its promise and communicate information on the right time. Employees of the company didn't show sincere interest in solving the problems you have as a customer in order to solve this problem the company should contact complaining customers as quick as possible it will be easy to solve their problems and also the organization needs to notice damaged goods timely. Furthermore, the organization must give adequate compensation for inaccurate service and give payment on time. There is a gap in record keeping that are needed and keeping them accurately and also on every document arrival at destination safe and on time with the shipment. So, the organization should have to carefully manage the customer data. There is reliability in shipment Safety & security (there is no loss & damage goods) has low mean value which means there is loss and damaged of goods so the organization must minimize the number of lost or damaged goods. Improving the overall quality of services provided by the company. This will help to decrease the number of customers which come to service centre to register complaints and this will in return help service centres to fully use their resources in service activities.
- From items of **Empathy**, the company should create awareness to their employees in order to provide customer focused services this enable employees to give individual attention to their customers and help them understand and serve well their specific needs and also happy employees yields happy customers. In addition, Panafric global should collect customers feedback regarding the service provided at service centre using different mechanisms like giving questionnaires during client visit.
- In general, delivering excellent quality service will make Panafric global stand out among its competitors. In the logistics service industry like most of service industry delivering quality service is essential for the existence, survival and success of the company. The air cargo section needs to monitor and measure the level of service quality it delivers to its customers on a regular base by conducting different surveys in order to identify gaps related to the services and keep track of customer's satisfaction.

5.4 Limitation of the Study

This study is limited to Panafric Global's air cargo service. However, there are different sections that Panafric Global's service reaches to its customers like ocean import & export multimodal transportation and logistics services. With package of value-added services includes international freight forwarding; intermodal trucking, document preparation, cargo insurance provision, customs formalities, foreign collections, freight consolidation and international trade management and consulting, this study will consider only Panafric Global's air cargo clients. The study is analysed from the customer perspective only on service quality on customer satisfaction. Though customer satisfaction is the result of many other variables especially in the logistics industry, the study focuses only on the service quality effect of customer satisfaction. Even though there are various kind of services that Panafric Global provides this study only encompass air cargo services.

5.5 Future area of research

Future researchers, who want to investigate similar area, may include other services of PAG and conduct comparison analysis to whether there is a service quality and customer satisfaction difference in between all different sections of the services.

Further research is suggested to conduct in other company by using a more representative sample and other dimensions in the study area and further research needs to take more respondents from different sections of the service which PAG provides in order to make the findings precisely indicate the air cargo sector. The researcher believes that this study will encourage future studies on service quality context and it can also serve as a source of competitive advantage by knowing the customer satisfaction level.

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Appendix A: English Version Questionnaire

Appendix

St. Mary's university

School of graduate studies

MarketingManagementPostGraduateStudy

Questioner to Customer of

Panafric Global Plc

Questionnaire to be filled by customers in Panafric global plc in Addis Ababa to assess factors affecting service quality on customer satisfaction in Panafric global plc.

Dear respondent,

I am **Rahel Belayneh** a post graduate student at St. Mary's University (SMU) School of graduate studies. Currently I am carrying out research for my master's thesis with a research title of **factors affecting service quality on customer satisfaction in Panafric global plc**. I kindly ask you to give me your time to answer the questions here under about your personal experience with regards to the service provided by Panafric global. Your willingness and cooperation in giving genuine information is well appreciated and the information you provide me will be used for only academic purpose and will be kept in strict confidentiality.

Thank you for your cooperation!

Instruction

- No need to mention name on the questioner.
- The questioner includes both open and close ended questions. Use the mark [√] for the questions.

Section 1: General information of Respondents

1. Gender

Male Female

2. Age

30 years & below

31-40

41-50

51 and above

3. Educational status

Diploma

Degree

Master

PhD and above

4. How many times do you use the service within a year?

1-3

4-6

Above 6

Section 2: please rate your options by tick [√] in the appropriate box

No	Service quality dimensions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	Tangibility					
1	The organization follows the most efficient , up-to-date and enough equipment used in the cargo terminal import section.					
2	The employees delivering the services are neat, disciplined, professional in their appearance,					
3	The organization use IT equipment's and all communication technology options to perform the operation and provide Website or email address for handling any customer request.					
4	Availability of transportation and other additional facilities					
	Reliability					
5	The organization provides quality service consistently.					
6	Panafric global always keeps its promise and delivers what they have promised.					
7	Employees of the company show sincere interest in solving the problems you have as a customer.					
8	There is a timely delivery of service and every information is communicated on the right time.					
9	Records that are needed are kept accurately and every document arrived at destination safe and on time with the shipment.					
10	There is reliability in shipment Safety & security (there is no loss & damage goods).					
	Responsiveness					
11	Information is kept in a way to be easily obtainable by a customer at any time.					

12	The employee gives prompt service ,					
13	The employees are always willing to help a customer.					
14	Employees in the Panafric global plc are never too busy to attend to customer inquiries and requests.					
15	Employees are willing to accept feedback and comments on irregularities.					
	Assurance					
16	The behaviour of employees in the Panafric global plc helps build the confidence of the customers.					
17	customer feels safe on the service provided by employees					
18	Employees in Panafric global service centre are consistently courteous with you					
19	Employees in Panafric global have the knowledge to answer customer's questions.					
20	The organization has strong system to understand and reassure customers problems					
	Empathy					
21	The employees give customers individual attention.					
22	The employees give customers personal services when the need arises.					
23	Panafric global service has your best interest at heart"					
24	The employees understand the specific needs of their customers.					
	Overall satisfaction					
25	There is a positive difference between Perceived and expected service.					
26	Satisfied by the services we deliver.					

Appendix B: Amharic Version Questionnaire

Appendix

በቅድስተ ማርያም ዩኒቨርሲቲ

ድህረ ምረቃ የማርኬቲንግ ማናጅሙንት ፕሮግራም

በደንበኞች የሚሞላ መጠይቅ

የተከበሩ መልስ ሰጪ

ስሜ ራሄል በላይነህ ሲሆን በቅድስተ ማርያም ዩኒቨርሲቲ ድህረ ምረቃ ማርኬቲንግ ማናጅሙንት ፕሮግራም ተማሪ ነኝ፤ የአገልግሎት ጥራት የጥናት ርዕስ የማስተርስ መመሪያ ጥናቴን እያከናወንኩ እገኛለሁ። የድርጅቱን አገልግሎት አስመልክቶ ስለግልጽ ተሞክሮ ከዚህ በታች የተመለከቱትን ጥያቄዎች እንዲመልሱልን ጊዜዎን እንዲሰጡን በትህትና እጠይቃለሁ። ትክክለኛ መረጃ በመስጠት ረገድ የእርስዎ ፍቃደኝነት እና ትብብር እያመሰገንኩ የሚሰጡኝ መረጃ ለትምህርታዊ አላማ ብቻ ጥቅም ላይ የሚውል ሲሆን በከፍተኛ ሚስጥር የሚያዝ ይሆናል።

ለትብብርዎ አመሰግናለሁ

መመሪያ

- በመጠይቁ ስም መጥቀስ አያስፈልግም
- መጠይቁ ሁለቱንም ምላሽዎን በአረፍተ ነገር የሚገልጹበት እና ምርጫ የተሰጣቸው ጥያቄዎችን ያካትታል። ምርጫ ለተሰጣቸው ጥያቄዎች ✓ ምልክት መጠቀም እና በአረፍተ ነገር የሚገለጹ ምላሽዎ አጭር መልስ ይስጡ።

ክፍል አንድ: ለመልስ ሰጪዎች አጠቃላይ መረጃ

1. ፆታ

ወንድ

ሴት

2. ዕድሜ

30 አመት እና ከዛ በታች

h31-40

h41-50

h51 እና ከጊዜ በላይ

3. የትምህርት መረጃ

ዲፕሎማ

ዲግሪ

ማስተርስ

PhD እና ከጊዜ በላይ

4. በአመት ውስጥ ስንት ጊዜ ካርጎ አገልግሎት ይጠቀማሉ?

1-3

4-6

ከ 6 ጊዜ በላይ

ክፍል ሁለት: እባክዎን ተገቢ በሆነው ሳጥን የሚመለከት በማድረግ ለምርጫዎ ደረጃ ይስጡ

	የአገልግሎት ጥራት ገጽታዎች	በጣም አልሰማማም (1)	አልሰማማም (2)	ገለልተኛ (3)	እስማማለሁ (4)	በጣም እስማማለሁ (5)
	ተጨባጭነት					
1	ድርጅቱ ጥቅም ላይ የሆነ ዘመናዊ የሆኑ እና በቀ መሳሪያዎች አሉት።					
2	የሽያጭ ማዕከል ሰራተኞች ንጹህ እና ስርዓት ያለው አለባቸው የለባቸው ናቸው።					
3	ከአገልግሎቱ ጋር ተዛማጅ የሆኑ ቁሳቁሶች					
4	የጭነት ቢሮው የሚገኝበት ቦታ በመገንጠያ ኢንፎርሜሽን ማሻሻያ ላይ ነው።					
	ተአማኒነት					
5	ድርጅቱ ተመሳሳይ እና አስተማማኝ የሆነ የደምበኞች አገልግሎት ይሰጣል					
6	ፓናፍሪክ ግሎባል የገባውን ቃል ሁልጊዜ ያከብራል እንዲሁም ይተገብራል።					
7	ድርጅቱ ሰራተኞች ችግር ሲያጋጥሞት ችግሩን ለመስወገድ ሕንፃ ላይ ይሰራሉ					

8	አገልግሎት በወቅቱ የሚሰጥ ሲሆን ማንኛውም መረጃ በትክክለኛው ጊዜ እንዲያርስዎ ይደረጋል።					
9	አስፈላጊ የሆኑ መዛግብት በትክክል የሚመዘገቡ (የሚያዙ) ሲሆን በሚፈለጉበት ቦታ እንዲደርሱ የሚደረጉ እያንዳንዳቸው ሰነዶች ከጭነቱ ጋር					
10	የዕቃጭነት አገልግሎት አሰጣጡ ጥበቃ እና ይህንኑ					
	ምላሽ ሰጪነት					
11	መረጃ ደንበኛ በፈለገው ጊዜ በቀላሉ ለ የገኝ በሚቻልበት መንገድ ይደረጋል።					
12	የድርጅቱ ሰራተኞች ቀልጣፋ የሆነ አገልግሎት ይሰጣሉ					
13	የድርጅቱ ሰራተኞች ሁልጊዜም እርስዎን ለመርዳት ፍቃደኛ ናቸው					
14	የፓናፍሪክ ግሎባል ድርጅት ሰራተኞች የደንበኛን ፍላጎት እና ጥያቄን ተቀብሎ ለመስጠት ይረዳሉ					
15	የድርጅቱ ሰራተኞች ያልተለመዱ አሰራሮች በሚያጋጥሙ ጊዜ ግብረመልስ እና አስተያየቶችን ለመቀበል ፍቃደኞች					
	ማረጋገጫ					
16	በፓናፍሪክ ግሎባል ውስጥ የሚሰሩ ሰራተኞች ባህሪ ደንበኞች እምነት እንዲያደርጉ ይረዳሉ።					
17	በሰራተኞች በሚቀርበው አገልግሎት ይህንኑ ይሰጣሉ					
18	የድርጅቱ ሰራተኞች በወጥነት በትህትና የተሞላ አቀራረብ አላቸው					
19	የፓናፍሪክ ግሎባል ሰራተኞች የደንበኞችን ጥያቄ ለመመልስ					
20	ደንበኞች ግርሰኛ ሲሆኑ የድርጅቱ ግሩፍ የሚሰጠው ጥያቄ					
	ደንበኞችን መረዳት					
21	ሰራተኞቹ እያንዳንዱን ደንበኛ ትኩረት ሰጥተው ያስተናግዳሉ።					
22	ሰራተኞች አስፈላጊ ሆኖ ሲገኝ ለደንበኞች በግል አገልግሎቶችን ይሰጣሉ።					
23	ፓናፍሪክ ግሎባል ውስጥ የሚሰሩ ሰራተኞች ደንበኞቻቸው ከልባቸው					

24	ሰራተኞች የእያንዳንዱን ደንበኛ ልዩ ፍላጎት ይገነዘባሉ።					
	አጠቃላይ የደንበኛ እርካታ					
25	በአጠቃላይ የጠበኩት እና ያገኘሁት አገልግሎት ለይ ልይነት አለ።					
26	በአጠቃላይ በሚሰጡት አገልግሎቶች					

APPENDIX C: Reliability Statistics and Tests

Scale: Tangibility Reliability Statistics

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded ^a	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.883	4

Scale: Reliability Reliability Statistics

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded ^a	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.966	6

Scale: Responsiveness Reliability Statistics

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded ^a	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.789	5

Scale: Assurance Reliability Statistics

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded ^a	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
------------------	------------

.806	5
------	---

Scale: Empathy Reliability Statistics

Case Processing Summary

		N	%
Cases	Valid	300	100.0
	Excluded ^a	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.903	4

Scale: Overall satisfaction Reliability Statistics

Case Processing Summary

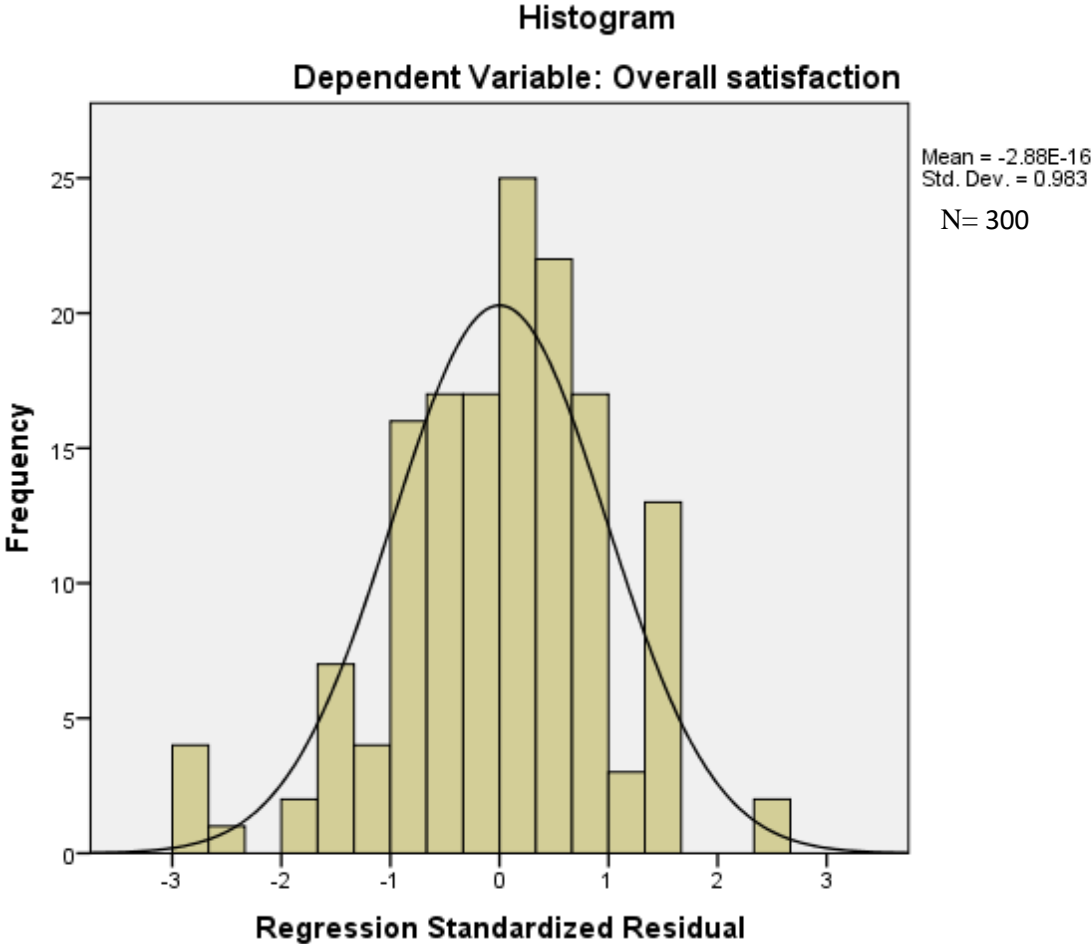
		N	%
Cases	Valid	300	100.0
	Excluded ^a	0	.0
	Total	300	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.727	2

APPENDIX D: Histogram for Normality Test of the Data



APPENDIX E: Normal P- P Plot to Test Normality of the Data

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: Overall satisfaction

