

**Service Quality Perception and Customer Loyalty Intention to
Road Transport Firms in South East, Nigeria**

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**BEING A DISSERTATION SUBMITTED IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF
DOCTOR OF PHILOSOPHY Ph.D DEGREE IN MARKETING**

**DEPARTMENT OF MARKETING
FACULTY OF MANAGEMENT SCIENCES
NNAMDI AZIKIWE UNIVERSITY, AWKA
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FEBRUARY, 2021

DECLARATION

I, Madumere, Humphrey Ikenna, a postgraduate student of Marketing with registration number 201143700IF do hereby declare, on my honour, that this dissertation has not been previously presented, either wholly or in part for the award of any other Degree, Diploma, Certificate or publication in any University, or other higher institutions of higher learning.

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CERTIFICATION

Madumere, Humphrey Ikenna, a postgraduate student of the Department of Marketing with registration number 201143700IF has satisfactorily completed the requirements for the award of Degree of Doctor of Philosophy in Marketing. The work embodied in this dissertation is original, and has not been submitted in part or in full for any other Degree, Diploma, Certificate or Publication of this university, or elsewhere. However, we affirm that Madumere, Humphrey Ikenna bears full responsibility for the contents of the work.

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DEDICATION

This work is dedicated to God Almighty for his abundant love and sufficient grace and protection.

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Humphrey I. Madumere

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ABSTRACT

This study assessed the link between service quality perception and customer loyalty intention to road transport firms in the South East of Nigeria. The RATER, 5Rs and Rockbridge's models were used. The cross-sectional survey design was adopted as structured questionnaire was used to elicit needed primary data for the study. A total of 340 respondents, drawn from the customers of four organized road transport firms in the South East were studied. Stated hypotheses were tested using Simple Regression Analysis at 0.05 level of significance in SPSS version 20. Findings revealed among others that there is a strong, positive and significant relationship between the RATER variables (reliability, assurance, tangibles, empathy and responsiveness) and customer loyalty intention (5Rs: repeat, retain, recommend, rebuild, reap and Rockbridge's: satisfaction, mobility) variables. It was equally discovered that customers' satisfaction level with the prevailing service quality in their chosen firms was 'Fair'. It was recommended among others that road transport firms that wish to remain competitively relevant and retain the loyalty of their customers should lay emphasis on "consistency in good service quality delivery". It was equally recommended that the road transport firms should use the RATER model effectively in their service provision as this will serve as a guide to improved service quality provision. The study provides more insight into the service quality-customer loyalty relationship in the organized road transport industry in Nigeria by advancing a proposed framework, adapted from the three models used, for future researchers and policy makers.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The Nigerian road transport segment has remained the major contributor to the Gross Domestic Product (GDP) of the Nation from transport sub-sector over the years. For the past twenty to thirty years now, the road transport mode accounts for more than 90 percent of the sub-sector's contribution to GDP (NBS, 2012; Agu, 2015). Indeed, competition in this sector has remained intense since operators of various levels and forms easily find their ways into the sector. Compared to other modes recognized by Nigeria Bureau of Statistics (rail transport, pipelines, water transport and air transport), the road transport segment is a common means of transportation by majority of the Nigerian population (CBN Statistical Bulletin, 2012; Ogwoand Agu, 2015). This is largely owing to the inaccessible nature of the rail system and the costly nature of the air transport, relative to the per capita income of the majority in the country.

Classifying the road transport operators into organized, semi-organized and open-market; roadside operators, Agu and Okpara (2015) observed that these levels of operators have customers who patronize them on a daily basis. The operators adopt various strategies to lure travelers (customers).Mukarramah and Sulaimon (2015) noted that the success of a road transport firm depends much on its ability to identify customers' wants and needs, and to come up with quality services that would meet their needs and keep them satisfied. Nkencho (2016) suggests that service providers such as the road transport operators should not just aim at meeting the expectations of the customers but to exceed these expectations and assure continuous high service quality provision more than other competitors. This will not only drive customer loyalty, but ensures that the benefits of

customer loyalty (repeat patronage, positive word-of-mouth, recommendations, improved marketing performance) are attained (Agu&Okpara, 2015; Ogwo&Agu, 2015; Kalu, 2015).

For the past decades in Nigeria, long distance movement had been lopsided towards the road industry as the railways had remained completely collapsed until few years ago. Today, the light is flashing back in the rail system which is gradually resurfacing again, thereby cutting down the market size for the road transporters. As noted by Ogwo and Agu (2015), the performance of the rail segment of the transport industry in Nigeria had been so poor that it contributed just 0.001 percent consecutively to the Gross Domestic Product of the nation from 2001 to 2005. But given the present efforts to revitalizing the system, it is envisaged that it will compete strongly with the road transport firms. Although one may forcefully think that Nigerian road transport customers are largely economic conscious in their choices of road transport firms, to some class of road transporters, service quality perceptions play major role in determining patronage than economic considerations (Agu, Kalu&Utholor, 2014; Agu&Okpara, 2015). For the organized road transport companies in Nigeria, much unlike their road side, unorganized counterparts, the quality of service rendered, more than any other factor has much impact on patronage and loyalty. This is because, though a wide measure of difference exists in their respective fares, the organized transport firms still have very large share of the total market.

Explaining the meaning of service quality, authorities in marketing noted that it only varies in wording but typically involves determining whether perceived service delivery meets, exceeds or fails to meet customer expectations (Cronin & Taylor, 1992; Oliver, 1993). Supporting this argument, Czepiel (1990) in Agu and Ogwo (2016) asserts that service quality is a customer's perception of how well a service meets or exceeds

their expectations. This implies that a customer's perception of a service affects his/her judgment of the quality level of the received service. To be perceived in a positive light, transport operators are required to steadily monitor customers' perception of their services. To remain competitively vibrant in the face of these circumstances, the organized road transport firms need a comprehensive study of their various service quality dimensions, customers' perception of them and how these perceptions affect customers' loyalty intention. This is because quality is increasingly becoming a significant strategic issue for best practice organizations. Although this may be measured from many angles, researchers believe that quality concept should emanate from the requirements and expectations of the customers (Bergmar&Klefsjo, 2013; Muranbi&Bwisa, 2014).

Several models of service quality have been developed and applied by previous researchers in the field of marketing. In a review of service quality models, Seth and Deshmulch (2004) critically examined nineteen different service quality models reported in modern marketing literature. They noted that the service quality outcome and measurement depend on the type of service setting, situation, time and need factors and that customers' expectations towards particular services are also changing with respect to time, and increase in the number of encounters with a particular service competitive environment, etc. In order to mitigate the shortcomings of the different models as shown in our literature review, this study hinges on three out of the numerous models of service quality, bearing in mind the service setting where the study was conducted; the road transport industry. Thus, the rater model, the attribute service quality model and the technical and functional quality model by Parasuraman et al (1988, 1990), Haywood – Farmer (1988) and Gronroos (1984) with major attention on the rater

model. Again, the five Rs Model of customer loyalty (Agu&Okpara, 2015) and the two constructs of customer loyalty model (Rockbridge, 2015) were adopted for the study.

Knowing whether a relationship exists between service quality perception and customer loyalty is inevitable in the present road transport industry in Nigeria. However, given the intense competition in the industry, there is a greater need to understand customers' perceptions of the various organized road transport companies and their loyalty intentions in a comparative manner. This will help the management of these firms to know their ranks from the customers' view point and also to observe at a glance their key areas of strength and weaknesses for appropriate measures to be taken.

1.2 Statement of the Problem

Understanding, measuring and maintaining good service quality that can drive strong customer loyalty has remained a problem to many service providers. This is largely owing to the unique characteristics of service provision which make service failure and customer dissatisfaction recurring issues in the service sector. This scenario is worst in the Nigerian road transport sector where road transport infrastructure, organizational policies and attitudes of staff result in perceived poor service quality and leading to unsteady customer loyalty. Researchers have revealed that what looks like customer loyalty in most organized road transport firms is not a function of high service quality delivery and performance but a function of other factors such as nearness of terminals to customers' point of take off or destination, cost and unavailability of alternative transport service providers, given the difficulty in finding an operator that is really service quality conscious. Agu&Ogbuji, 2008; Agu&Okpara, 2015; Nwachukwu, 2014;

Kalu&Agu, 2013). This means that the key dimensions of service quality perception by customers have little or no contribution in the present loyalty displayed by road transport customers.

In the global arena, Nigerian organized road transport firms may rank very low when measured with globally known service quality models. This is because their present marketing efforts seem to pay little or no attention to these global service quality dimensions. There is the need to re-strategize to drive and win customer loyalty from these globally recognized service quality dimensions. Moreover, the Nigerian road transport industry has grown to the level that it should develop and make available periodic ranking of the organized road transport firms from customer service quality perception angle (customer satisfaction index). Since none exists in the Nigerian road transport marketing literature at the moment, customers are left in the dark when it comes to patronage decisions based on service quality.

Indeed, despite the value placed by road transport customers on consistent good service quality provision that are reliable, assured, reasonably tangibilized, empathic and responsive, operators in the Nigerian road transport industry seems to give less attention to these key dimensions. This results in customer dissatisfaction, dissonance and switching of service provider. In many instances, customers patronize different operators in a single trip in a quest for the expected service quality experience. It is more worrisome when firms that are perceived by customers to be more organized than the road-side, open-market operators, display an obvious negligence to critical service quality factors that should attract customer loyalty. In fact, as rightly observed by Agu (2015), many Nigerian middle class road transport customers are ready to pay for good services if they are available, the cost notwithstanding. Exposing the power of consistent service quality provision

in retaining customers becomes imperative, as that will draw the attention of operators to the inherent benefits.

However, reviewed literature shows that studies on the road transport sector of Nigeria focused more on other issues such as complaints handling, patronage factors and contribution to GDP (Agu&Okpara, 2015; Ogwo&Agu, 2015; Madumere, 2015; Ayantoyinbu&Ekundayo, 2015), constraints (Aworem, 2009; Aderemo, 2010; Ogwo&Agu, 2015), single firm study (Agu&Ogbuji, 2008) and single city study (Nwachukwu, 2014; Madumere&Agu, 2015; Kalu&Agu, 2013). There is no known study that measured customer loyalty as a function of perceived service quality using known models. It is this gap that this present study stands to close in view of the importance of these dimensions in the global competitive ranking of service providers.

1.3 Objectives of the Study

The primary task of this study is to empirically unravel the perception of road transport customers towards the service quality of their chosen firms and to ascertain the nature of relationship existing between such perceptual dispositions and customer loyalty intention using the RATER model. Specifically, the following objectives were actualized in this study which are to:

1. ascertain the nature of relationship between perceived service reliability and customer loyalty intention.
2. determine the extent of relationship between perceived service assurance and customer loyalty intention.
3. ascertain the nature of relationship between perceived service tangibles and customer loyalty intention.

4. determine the extent of relationship between perceived service empathy and customer loyalty intention.
5. ascertain the nature of relationship between perceived service responsiveness and customer loyalty intention.

1.4 Research Questions

In order to actualize these set objectives, answers were sought for the following research questions:

1. What is the nature of relationship between perceived service reliability and customer loyalty intention?
2. To what extent does perceived service assurance determine customer loyalty intention?
3. What is the nature of relationship between perceived service tangibles and customer loyalty intention?
4. To what extent does perceived service empathy determine customer loyalty intention?
5. What is the nature of relationship between perceived service responsiveness and customer loyalty intention?

1.5 Research Hypotheses

The following null hypotheses were tested for the study:

- H₀₁:** There is no significant relationship between perceived service reliability and customer loyalty intention.
- H₀₂:** The extent to which perceived service assurance determines customer loyalty intention is not significant.

- H₀₃:** There is no significant relationship between perceived service tangibles and customer loyalty intention.
- H₀₄:** The extent to which perceived service empathy determines customer loyalty intention is not significant
- H₀₅:** There is no significant relationship between perceived service responsiveness and customer loyalty intention.

1.6 Significance of the Study

There is a growing, steady demand for road transport services in Nigeria. The operators boast of reasonable patronage with little or no marketing efforts, and worse still, with little or no attention to their service quality. This has made it very difficult for customers' service expectations to be met by these firms. However, the organized and fairly organized road transporters tend to be a bit quality conscious when compared with other roadside, unorganized operators (Agu&Okpara, 2015). This has attracted customers' attention to some extent and also driving customer loyalty. Today, apart from the price, place and promotional factors, customers are becoming conscious of the product, process, physical evidence and people factors in the organized road transport firms, which are key service quality indicators.

This study is apt in that it attempts to measure the perceptions of customers of four major organized road transport firms in the South East of Nigeria towards present service quality. The study also relates such perceptions to the loyalty intentions of the customers while ranking the firms based on these two critical marketing factors: service quality and customer loyalty

intention. This provides the transport marketing and service quality literature with an additional report on consumer behavior. This will serve as a source of material to future researchers and the marketing academy. Again, the firms would view their rankings from their own present customers' perspective. Since researches have shown that customers hardly voice out their complaints when they experience dissatisfaction (Ogwo, Okpara, Ogbuji&Agu, 2015), this study will reveal hidden customers' views about their firms, thereby assisting the firms to know areas for corrections. This will enhance loyalty, patronage, positive word-of-mouth and profitability. The customers will benefit from improved service quality and satisfaction when the firms adhere to some recommendations that would be advanced at the end of this study. The government also, would be encouraged on measures to regulate the service quality of the firms, while benefiting from improved taxation as an outcome of enhanced profitability of the firms.

1.7 Scope of the Study

The geographical setting of this research study is the South East Nigeria which comprises Abia, Imo, Anambra, Enugu and Ebonyi States, with specific attention on the cities known for heavy presence of organized road transport firms. Thus, the cities covered are Owerri, Enugu, Onitsha, Abakaliki and Aba. This study is domiciled in the area of consumer behaviour with major emphasis on service quality, consumer perception and loyalty intentions. The units of analysis in the study were the customers of four organized road transport firms in the zone that are in long distant shuttle service and are also managed by private bodies or individuals.

These transport firms were classified by Agu (2015) as “organized”, since they have clearly defined management structure, trained and regular staff

members, over fifty modern buses, registered business premises or terminals, clearly defined vision and mission statements in their transport business activities, and formal or informal approaches to customers' complaints handling.

The four firms that formed the focal point of this study are Associated Bus Company PLC (ABC), The Young Shall Grow Motors Ltd, Chisco Nigeria Ltd and Godwin UchechukwuOkeke Motors (GUO). The map below shows the location of the five states that make up the South East zone of Nigeria:

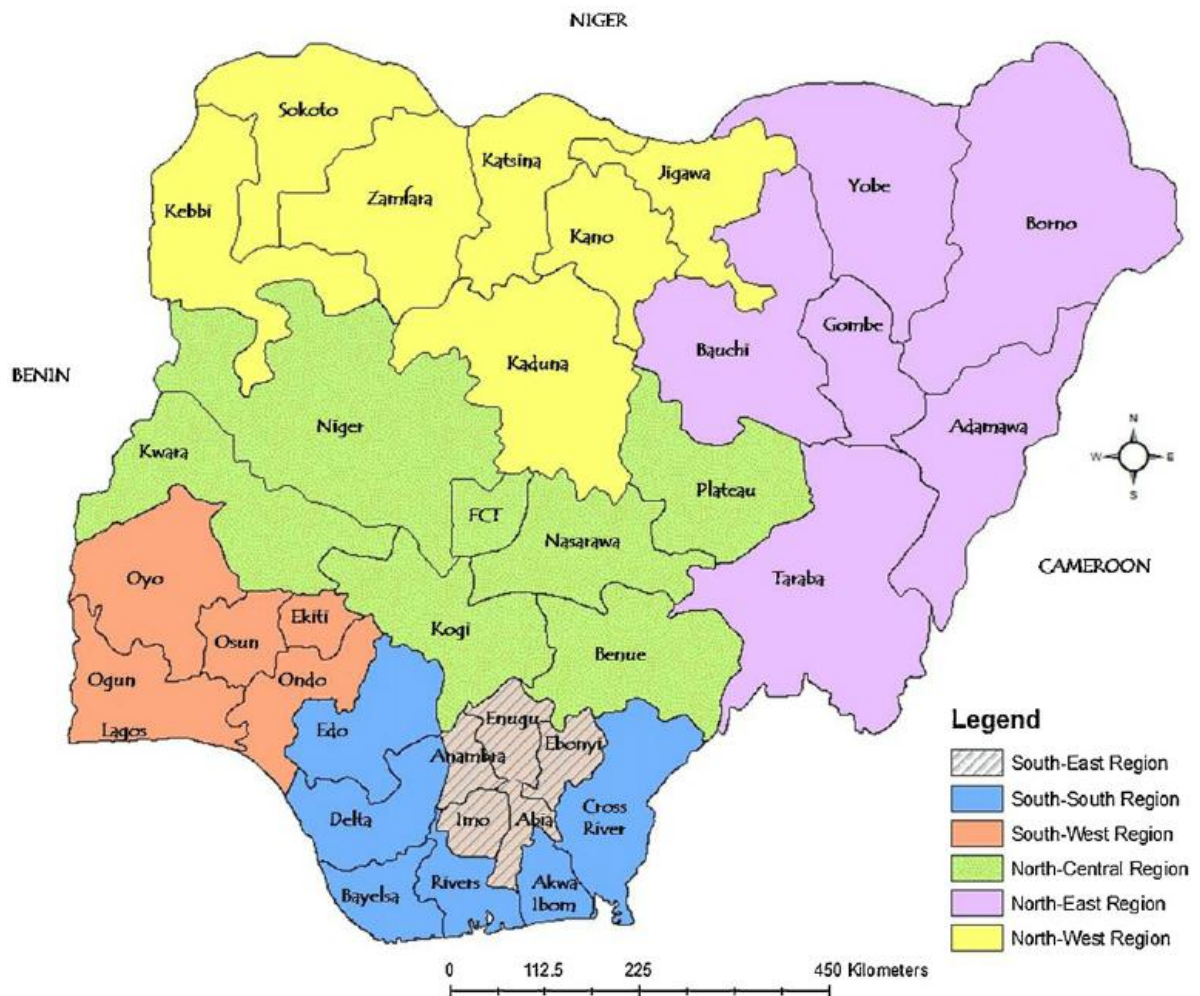


Fig. 1.1: Map of Nigeria showing the six (6) geopolitical zones.

Source:https://www.researchgate.net/figure/51795009_fig1_Fig-1-Map-of-Nigeria-showing-the-six-6-geopolitical-zones. Accessed 7/01/2017.

The South East is known in the road transportation industry in Nigeria as major players in the industry; the owners of most of the private organized road transport firms are south easterners. This makes the scope of the study relevant as the terminals to be visited are key terminals for the selected transport companies since they originated from these primary terminals.

1.8 Limitations to the Study

Every serious academic study is not without some limitations. These stem from the methodology, scope and other research-based factors. For this study, the use of regression and descriptive statistical tools instead of such tools as structural equation models as applied by some scholars is a limitation. However, to overcome this limitation, the researcher, in agreement with the supervisor and other research experts ensured that the variables and the instrument of study are structured to fit the tools adopted for analysis.

Also, limiting the study to transport firms' branches in the South East is a limitation. However, this should not affect generalization of our findings since most of the terminals used in this study are major terminals of the studied companies. The study is also limited by its sample size.

As usual, financial, time and other factors that affect the ability of the researcher to carry out an in-depth study came to bear. However, being

determined to produce a quality research, the researcher devoted reasonable financial and time resources to the study. To beat the time, research assistants were recruited by the researcher to cover the different states within the South East.

1.9 Definitions of Terms

Service: Any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

Service Quality: An assessment of how well a delivered service conforms to client's expectations.

Customer Loyalty: The mindset of the customers, who hold favorable attitudes toward a company, commit to repurchase the company's good or service and recommend the goods or service to others.

Customers: These are individuals who purchase goods and services offered for sale by marketing institutions in order to satisfy personal and household needs, wants or desires. A customer becomes a consumer when he/she becomes the user of the product purchased. In this study, customers include passengers, cargo receivers and senders, as well as those who patronize other services of the road transport firms (Agu, 2015).

Organized Road Transportation Firms: These are road transport firms that have organized service structure, such that they have organized management structure, separate loading terminals and registered business premises (Agu&Okpara, 2015).

Unorganized Road Transport Firms: These are firms that have largely unorganized system. According to Agu and Okpara, (2015), they are open-

market, road side operators who do not have defined terminals nor are they registered operators.

Transportation: The movement of goods and passenger from one place to another.

This study will follow the five-chapter approach as approved by the university. Chapter one introduces the work with such sub-headings as background of the study, statement of the problem, research objectives, questions and hypotheses, Significance of the study, definition of terms, Scope, limitations and organization of the study. Chapter two is the review of relevant literature in the areas of consumer behavior, service quality, customer perception, road transportation and marketing management. Chapter three harbours the research methodology while chapter four shows data analysis, interpretation and presentation. The chapter five contains the summary of major findings, conclusion, recommendations, contributions to knowledge as well as suggestions for further studies.

1.10.1 Brief History of Selected Firms:

1.10.2 Brief History of ABC Transport Plc

ABC Transport Plc commenced operation in road passenger transportation on February 13, 1993 as an off-shoot of Rapido Ventures with a view to running a modern road transportation system in Nigeria.

In March 2003, Capital Alliance Private Equity (CAPE) acquired 30% shares of ABC Transport. With the acquisition, Capital Alliance (Nigeria)

became stakeholders in ABC TRANSPORT, a partnership that re-positioned the company for greater performance.

ABC Transport operates luxury bus services according to accepted international standards of road transportation. Its services are specially designed for distinguished travellers who would otherwise use air service.

The operations within and outside Nigeria are carried out in ultra modern terminals, with comfortable lounges in various cities like Lagos (Jibowu&Amuwo-Odofin), Aba, Owerri, Port-Harcourt, Abuja, Enugu, Onitsha, Umuahia, Jos, Mbaise, Bolade, and Accra (Ghana).

ABC buses are dubbed with the company's trademark the Reindeer. The choice of the Reindeer as the company's symbol was made after a careful study of the peculiarities of the animal which is strong, fast and moves in herds.

For the company's remarkable achievement in transportation, ABC Transport was adjudged the Best Transporter in Nigeria by the Chartered Institute of Transport, Nigeria and has since then consistently won the National Bus Operator of the Year Award along with other accolades by renowned bodies.

1.10.3 Brief History of CHISCO Transport Ltd

Chisco Transport Limited commenced operation in road passenger transport February 13, 1981 in Lagos. Fashioned with a view to running a modern road transportation system in Nigeria based on international standards, the company is ably managed by a team of time-tested professionals with excellent track records in their chosen fields.

Supporting the management team is a Board of Directors composed of people of integrity whose diverse backgrounds serve as a rich resource base for the company's policy formulation and overall business perspective.

Its services are specifically designed for discerning travellers. The operations in Nigeria are carried out in modern terminals, with comfortable lounges in various areas around Lagos such as Jibowu, Oyingbo, MazaMaza, Alafia, Lekki, Alaba, and other cities in Nigeria like Abuja, Aba, Owerri, Enugu, Port Harcourt, Onitsha, Umuahia, Nnewi, Amichi and Uyo. The company also operates in Accra, Ghana.

1.10.4 Brief History of Young Shall Grow Transport Ltd.

Young Shall Grow Limited Commenced business in 1972 as a mini-bus Transport operator plying Enugu-Onitsha in the **East-Central state of Nigeria**. By 1973, the company moved its main operational base from Onitsha to Lagos and expanded into urban commuter bus business which Blossomed from a fleet of two (2) locally built Mercedes Benz 911 buses to over 40 within a period of seven (7) years.

Young Shall Grow Transport launched its inter-state passenger conveyance services in 1978 with the new Brazilian made **Mercedes Benz 0362 Luxury** bus which operated along Lagos-Onitsha-Owerri route. Favorable customer response to the company's innovative and satisfactory services led to a rapid growth of the company's fleet to over 150 luxury buses over the next six (6) years.

As a result of its rapid growth, Young Shall Grow Motors Limited (YSGML) was incorporated as a private limited liability company in 1984 with the main Objective of expanding its business as an inter-state luxury bus operator.

Young Shall Grow Motors Limited today is about the biggest luxury bus company in Nigeria. Its fleet of over 500 serviceable vehicles transverses all sections of Nigeria and other West Africa country with its head office in Lagos, Nigeria. The company now has offices in the following cities: Ibadan in the west, Abuja, Kano, Sokoto, Maiduguri, Jos and Yola in the north and Onitsha, Neni, Enugu, Owerri, Aba, Umuahia, Port Harcourt, Uyo and Calabar in the Eastern part of Nigeria . Today Young Shall Grow Motors Transport now convey passengers to West African countries as earlier mentioned such as Ghana, Cote d'voire (ivory Coast), Benin Republic, Mali, and Burkina Faso. To meet the qualitative demands of the century, the company's fleet includes state-of-the art air-conditioned luxury buses including sophisticated double-decker Buses all of which are built to cope with the Nigeria roads.

Then in 2007 Young shall Grow came up with another kind of transport bus called the Hiace mini bus popularly known as commuter bus, currently young shall grow transport limited introduced more commuter buses (Hiace) to the bus system and still working hard to do more for the satisfaction of our esteemed customers. Currently the Young shall grow transport company have sufficient buses that commute virtually all round Nigeria and its west coast routes still with the same high standard that will glee our customers taste.

1.11.4 Brief History of GUO Transport Ltd

Founded in 1980, GUO Transport Company Ltd. is a division of G. U. Okeke & Sons Ltd. A household name in the transportation industry and one of the largest provider of intercity and interstate transportation, serving more than 200 destinations across Nigeria and West Africa with a modern, environmentally friendly fleet.

The company has become an icon in the transportation industry, providing safe, enjoyable and affordable travel to millions of passengers annually. While GUO transport Company is well known for its regularly scheduled passenger service, the company also provides a number of other services for its customers such as value-priced same-day and early-next-day haulage and package delivery to numerous destinations in Nigeria.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.0 Preamble

In this chapter of the study, the views of scholars on major aspects of the study are examined. The review is strictly structured to capture the key aspects of the study with major attention on the guiding model (RATER) as captured in the statement of the problem, research objectives, questions and hypotheses. As rightly noted by Okafor (2003) and Alugbuo (2005) in Agu (2015), a good review of relevant literature helps researchers to identify and understand the topical issues that are relevant for the conduct of the research work. For easy comprehension of the contents of this chapter, the chapter is divided into five major segments. First, the nature and meaning of services marketing and service quality. Second, an examination of the nature of consumer behaviour and its marketing implications. Third, the meaning of customer loyalty and customer perception. Fourth, the nature, growth and current issues in the Nigerian road transport segment. Fifth, theoretical framework. Finally, an extensive empirical review of previous research works in the areas of consumer dissatisfaction, service quality, customer loyalty and perception. The chapter is summarized by an identification of existing gap from reviewed literature which the present study was poised to address. Each of these segments may have sub-segments for clearer explanations.

2.1 Conceptual Review

In this segment of the chapter, sub-topics that are relevant to the explanation of the main variables of the study would be reviewed, and thereafter, the conceptual framework that flows from the review.

2.1.1 Services: Definition, Features and Marketing Implications

Many authorities have given relevant explanations on the nature of services. From the review, there is a consensus that two major kinds of services can be distinguished in marketing. This affects the definitions. Services can therefore be ancillary services or primary services (Agbonifoh et al, 2007; Etzel et al, 2001; Okpara, 2012; Anyanwu, 2013, Agu, 2015). Services can be defined as all the businesses or enterprises not concerned with the production of manufactured goods (Lovelock, 1983 in Kalu, 2015). Agbonifoh et al (2007) noted that the ancillary services which are also known as customer services, after sales services or support services are incidental and additional services to a physical object of exchange.

Busch and Houston (1985) in Agu (2015) disclosed that the ancillary services are supplementary services that accompany the purchase of physical goods (e. g delivery, installation, etc). On the other hand, the primary, central or narrow view of services considers services as the dominant, in some cases the only source of utility in a purchase. Primary services are intangible products, while ancillary services are product intangibles.

It should be noted, according to Agu (2015) that no transport firm can survive the heat of competition in the Nigerian road transport subsector today if supplementary, customer services are neglected. This is why all or some of the organized road transport firms have customer service units. From the primary service perspective therefore, Etzel et al (2007) defined services as identifiable, intangible activities that are the main object of a transaction designed to provide want-satisfaction to customers. To Kotler and Keller (2007), a service is any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

The characteristics of services as identified by Onah and Thomas (2004), Okpara (2012), Kotler and Keller (2007), Etzel et al (2001), Agbonifoh et al (2007), Anyanwu (2013), Inyanga (2000), Fitzsimmons and Fitzsimmons (2006) and Agu (2015) include the following:

- i. Inseparability:** Services are rendered and “Consumed” simultaneously. This means that service provision and service consumption are simultaneous events involving the presence of, and interaction between, the provider and the consumer from the start to the end of the process. This makes customization inevitable. Again, the service delivery process requires effective monitoring to ensure timely and quality outcome that will keep the satisfaction of the consumer high.
- ii. Intangibility:** This implies that services cannot be seen, tasted, heard or smelled before they are purchased. The implication of this according to Anyanwu (2013) is that a great burden is placed on the salespeople and advertising because they have to articulate the service benefits in such a way that they will appeal to the users. Okpara (2012) disclosed that since services branding and packaging are difficult, the likely quality of a service is judged by its precedence and the provider’s credibility. Kotler and Keller (2007) advised that service providers should manage the evidence to tangibilize the intangibles. This can be achieved by demonstrating the service quality through physical evidence and presentation. Etzel et al (2007) identified visualization, association, physical representation and documentation as four promotional strategies firms may use to suggest service benefits and reduce the effect of intangibility.
- iii. Heterogeneity:** Standardization of service outcomes has remained an impossible task. This makes service quality to differ from time to time

and from place to place even when rendered by the same person. This means that the customer finds it very difficult to forecast or predict the quality of a service before its consumption. Therefore, quality control remains a huge concern in services marketing (Okpara, 2012). In the road transport segment, it is this feature that triggers complaints most as the quality of services rendered by the organized road transport firms fluctuates Onah and Thomas (2004), Okpara (2012), Kotler and Keller (2007), Etzel et al (2001), Agbonifoh et al (2007), Anyanwu (2013), Inyanga (2000), and Fitzsimmons and Fitzsimmons (2006) (Okpara and Agu, 2014). For effective management of quality variability in services marketing, Kotler and Keller (2007) gave these three steps to increased quality control:

- a. Invest in good hiring and training procedure;
- b. Standardize the service-performance process throughout the organization;
- c. Monitor customer satisfaction.

Besides, services companies should pay special attention to their products planning and implementation stages of their marketing programs to ensure consistency of quality and maintenance of high level of quality control (Etzel et al, 2007).

iv. Perishability: Services cannot be stored or “warehoused” for future sales and profits. Markets lost are considered lost forever. When demand is fluctuating, the management of this aspect of services marketing becomes difficult. However, Anyanwu (2013) suggests that managers should combine product planning, pricing and promotion in such a way to take advantage of the undulating nature of demand. The unbalance between demand and supply created by Perishability has forced many providers to develop new uses for their idle capacity

during off-seasons (Etzel et al, 2007). Kotler and Keller (2007) identified demand and supply sides strategies for a better match between demand and supply. Among these are:

- a. Differential pricing;
- b. Nonpeak demand stimulation;
- c. Complementary services;
- d. Reservation systems;
- e. Part-time employees;
- f. Peak-time efficiency;
- g. Increased customer participation; etc.

Okpara (2012) advised that service providers should be marked by marketing promptitude; standing readily to render services to customers when a demand exists.

2.1.2 The Growth of Services in Nigeria

Over the years, the service sector has remained a leading sector in most economies of the world including Nigeria (Agu, 2015; Anyanwu, 2013; Agbonifoh et al, 2007; Kotler and Keller, 2007; Etzel et al, 2001). The scope of services as documented by Stanton (1970), Etzel et al (2001) and Kotler and Keller (2007) in Agu (2015) cover the following areas:

- ✓ Housing
- ✓ Household operations
- ✓ Recreation and entertainment
- ✓ Personal care
- ✓ Medical and healthcare
- ✓ Private education
- ✓ Professional business services (legal, accounting, research, etc)
- ✓ Financial services

- ✓ Transportation
- ✓ Insurance
- ✓ Communications, etc.

In a very simple and straightforward assertion, Agbonifoh et al (2007) observed that all those engaged in government ministries, educational institutions, hospitals, insurance companies, banks and consultancy businesses, transporters, mechanics, plumbers, musicians, actors and actresses, barbers, repairers, technicians, etc. are in the service sector. This means that the sector is basically employing skilled, semi-skilled and unskilled labour, thereby improving the standard of living and economic growth of the nation (Agu, 2015). According to Bateson (1995), the service sector accounts for more than 58% of worldwide Gross National Product and up to three quarters of the total employment. The world's service sector is the fastest growing sector of the global economy, accounting for two third of global output; 30% of global employment and 20% of global trade (Ghirmai, 2010). "Between 1990 and 2002, the growth in world service trade was 155 percent while those for manufacturing and agriculture were 97% and 40% respectively" (Kumar, 2005). In the United States, the service sector accounted for 78.3% of the private sector GDP in 2008 (Ghirmai, 2010; GSS, 2009). In Nigeria the service sector contributed 32.5% of the GDP in 2009, while the agriculture and industrial sectors contributed 33.4% and 34.1% respectively (Economy Watch, March, 2010). The growth in the rate of employment in the service sector in Nigeria may be attributed to some of the characteristics of the Nigerian service sector as documented by Agbonifoh et al (2007). Accordingly, the sector is characterized by low capital, numerous but atomized sellers and imperfect competition. The industry is highly labour-intensive and has minimal regulatory framework.

The role of services in an economy is depicted in the diagram below as given by Bruce and James (1988) in Agu (2015):

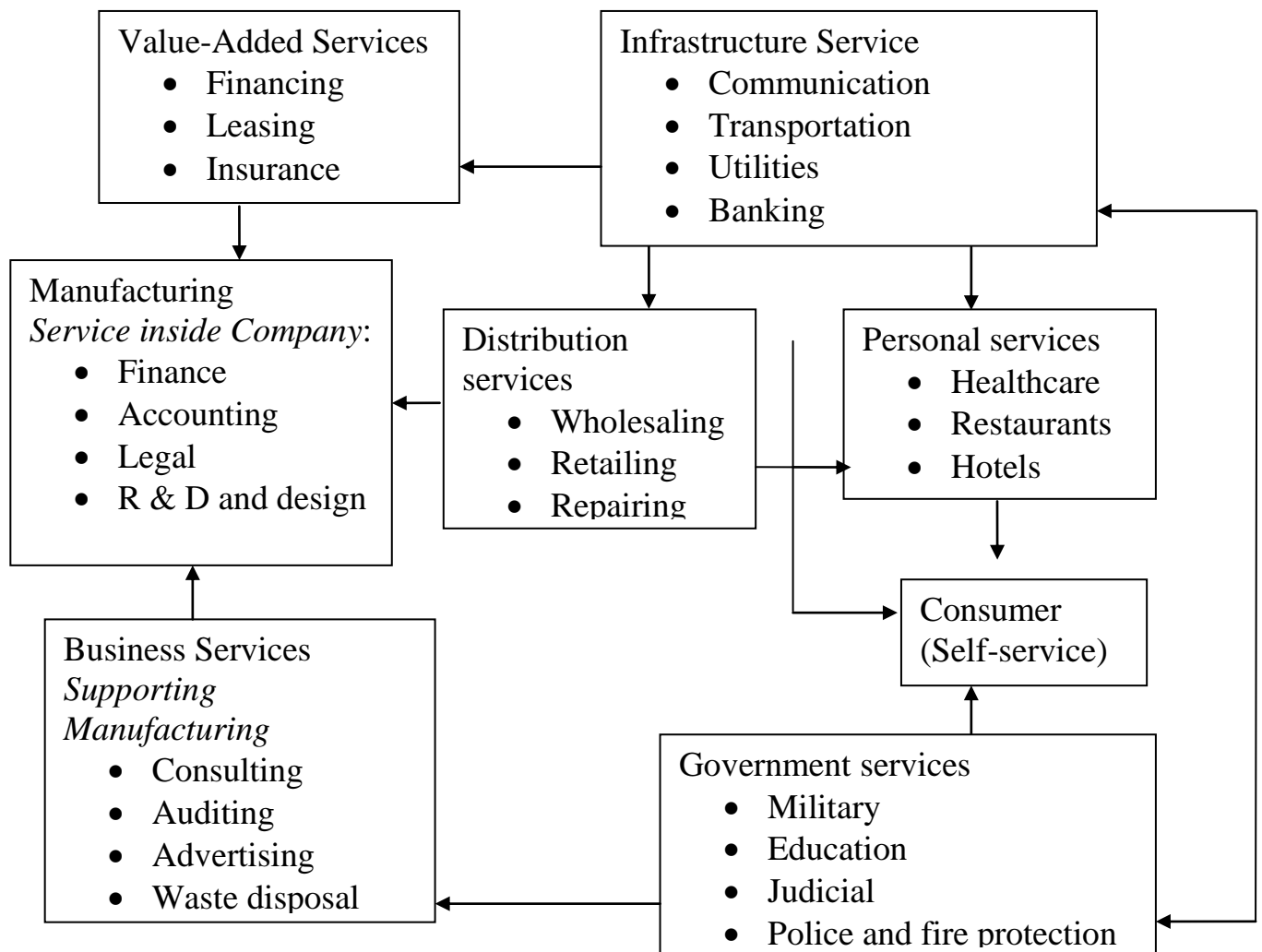


Figure 2.1: The Role of services in an Economy

Source: Bruce, R. G and James B. Q (1988). *Technology in Services: Policies for Growth, Trade and Employment*, Washington, D. C.: National Academy Press.

2.1.3 Services Marketing Mix

This model extended the traditional marketing mix elements (4ps) to seven. The marketing mix is defined as 4P's namely the product, price, promotion and place (Kotler& Armstrong, 2006). They are often designed to influence consumer decision-making and lead to profitable exchanges. Each element

of the marketing mix can affect consumers in many ways (Peter & Donnelly, 2007). The marketing mix is the set of marketing tools a firm utilizes to pursue its marketing objectives in the target market (Borden, 1984). When a store markets its products, it needs to create a successful mix of the right product, sold at the right price, in the right place and using the most suitable promotion.

The 7Ps model, also known as the services marketing mix, goes beyond the four basic marketing principles for product marketing. Services have unique characteristics, for example intangibility, heterogeneity, inseparability and perish-ability. Booms and Bitner’s (1981) insight in relation to physical products and services led to an extension of the traditional marketing mix. In addition to the four traditional factors, three important factors have been added: People, Process and Physical Evidence, that make the services marketing mix.

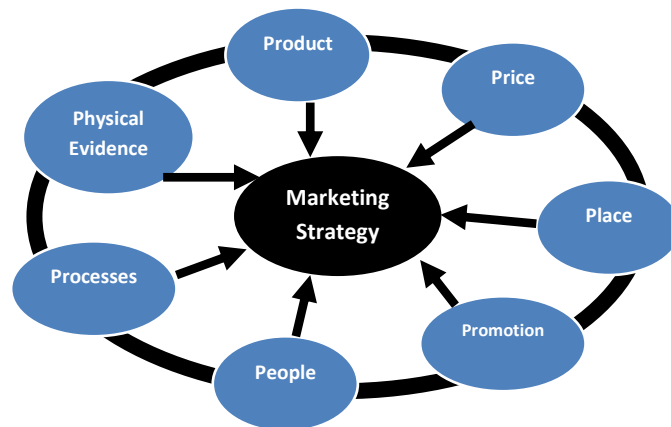


Figure 2.2: 7ps Model Of Services Marketing Mix Elements

Source: Booms, B. & Bitner (1981). *Marketing Strategies and Organizational Structures for Service Firms*. Marketing of Services, James H. Donnelly and William R. George, eds. Chicago: American Marketing Association, 47-51.

In 1981 this service marketing mix approach was seen as very valuable and it provided new insights as a result of which the extension gained

widespread acceptance in the science of services marketing. These added elements within the service marketing mix represent a service and provide intangibility by physical evidence.

Concept of Customer Perception

Perception is the process by which an individual selects, organizes and interprets information inputs to create a meaningful picture of the world (Berlson et al, 1964). Hawking, Best and Coney, (2001:284) observed that perception is the critical activity that links the individual consumer to group, situation and marketing influences. It is the process of attaining awareness or understanding and interpreting sensory information, (www.wikipedia.com, 2012). Perception depends not only on the physical stimuli, but also on the stimuli's relation to the surrounding field and on conditions within the individual. The existence of the three stages of the perceptual process- selective attention, selective distortion, selective retention leads to different perceptions of same object by consumers. It therefore becomes imperative on service providers to create, position, and maintain such a status that will lead to positive perception and reaction by consumers.

In all, when service failure occurs repeatedly, it results in negative perception of the service quality and delivery which may lead to reduced patronage and dwindling profitability.

Product Strategy and Perception

The road transport sector is known for the provision of various travelling options to passengers as well as the provision of accompanying services to customers. In most organized road transport firms in Nigeria, various classes of buses are made available to customers at varying prices. For instance, ABC transport Plc has Regular Coach Services; usually non-air

conditioned long distance Macapolo bus, Executive Coach; which is air conditioned, sleeper coach for night travelers, Smart coach which is a mini-coach of 27 Seaters, unlike the regular and executive coaches that contain 54 seaters. There is also the splinter bus for long distance travelers, cargo trucks, and haulage trucks among others. Each of these segments of the company represents product to the target customers. Miquel (2002) proposes that individuals show as much interest in the product type as the brand and actively seek out information in their decision-making. Shugan and Ramarao (2001) reveal that rapid changes in technology have a significant effect on consumer purchases. Thus, past researchers have clearly suggested that product influences have a significant impact on consumer motives.

Pricing Strategy and Perception

Pricing is one of the traditional 4 P's outlined in the marketing mix strategy of a company and also a key element in the 7Ps model of services marketing. A review of the major literature shows that significant attention has been given to consumer perceptions about the price and quality of private labels since these factors have been identified as two of the important reasons for purchasing private label goods (Jin, 2005; Cataluna, 2004; Wood, Lias & Barry, 2006).

The dimensions of price are list price, discounts, allowances, payment term and credit terms (Borden, 1984). Hence, the earlier literature confirms that pricing has a significant effect on customer motives. The price of products and services often influences whether consumers will purchase them. However, many of today's value-conscious consumers may buy products more on the basis of price than other attributes (Peter & Donnelly, 2007). Berman (1996) reports that among the pricing policies which are of major

concern to retail store outlets are the 'High-Low Pricing' and Every Day Low Pricing (EDLP) strategies.

In the road transport industry, the fare and other service charges represent the price paid by customers. Some road transport customers may be price sensitive; demanding economic pricing, while others may be innovators who value good quality services at any cost. Segmenting the services just like ABC Transport would ensure that the interests of many are captured.

Promotion Strategy and Perception

Promotion is defined as sales promotion, advertising, personal selling, public relations and direct marketing (Borden, 1984). According to Duncan (2005), promotion is the key to the market exchange process that communicates with present and potential stakeholders, and the general public. Hakansson (2005) reports that promotion appears as an issue in how to create an optimal mix of marketing communication tools to get a product's message and brand from the producer to the consumer. Advertising, sales promotions, personal selling and publicity can influence what consumers think about products, what emotions they experience in purchasing and using them, and what behaviours they perform, including shopping in particular stores and purchasing specific brands. Marketing communications play a critical role in informing consumers about products and services, including where they can be purchased and in creating favourable images and perceptions. Promotions pertaining to price offers are important tactics used to influence consumer behaviour in retailing both with regard to retailer and manufacturers' brands. Ferle and Steven (2006) find that the effectiveness of product advertisement in television is still doubtful. Ailawadi, et. al (2006), find that the net impact of promotions is still negative. In another research, Gendek and Scott (1999) report that in-

store price promotions are associated with negative purchase event feedback compared to non-promotion purchases. Promotions such as price discounts and buy one get one free are effective promotional tools for encouraging consumers to buy more (Shi, Ka-Man and Gerald, 2005). Hung (2005) recommends that plans for promotions should be top-down strategy built plans with tactical bottom-up purchase analysis and that they should be monitored frequently. Steinberg (2001) points out that a successful promotion often comes from a good imagination.

The players in the Nigerian Road Transport industry engage in different kinds of promotion programmes such as mobile advertising with company's inscriptions on all buses, point-of-purchase adverts, news paper, radio, television, internet adverts, sales promotions, and publicity.

Place Strategy and Perception

Kotler and Armstrong (2006), define place or distribution as a set of interdependent organizations involved in the process of making a product available for use or consumption by consumers. Place strategy calls for effective distribution of products among the marketing channels such as the wholesalers or retailers (Berman, 1996).

The dimensions of place are channels, coverage, assortment, location, inventory, and transport (Borden, 1984). Thus, the above studies imply that place or distribution considerations play a major role in influencing consumer motives.

The road transporters in Nigeria lay much emphasis on convenient location. This is the reason behind the cluster of many road transport companies along Egbu road in Owerri, Imo State. Passengers and other customers of the firms consider the location of the boarding terminal and the location of

the arrival terminal. Ease of location, accessibility, service availability, and other factors are considered by road transport customers.

People and Perception

The quality, skills and attitude of road transport employees to a larger extent influences customers' perception and preference decisions (Agu&Ogbuji, 2008). The organized road transporters have such employees as front line staff; customer service officers, operations managers, waybill officers, security personnel, porters/lodgers, as well as offline staff, accounts officers, auditors, etc. how these people relate to customers tells whether there will be repeat patronage, positive word-of-mouth and recommendation (Agu&Ogbuji, 2008).

Service Process and Perception

Authorities in the field of marketing management are of the view that a product/service attractiveness to consumers can be enhanced by providing timely, quick and accurate or error free services (Anyanwu, 2008, Agu&Ogbuji, 2008). The customer experience can be positively influenced with consistent timely and accurate service delivery. In the Nigerian road transport sector, departure time adherence, ticket purchase stress, boarding arrangements, etc are elements under the service process. To what extent can this drive customer preference? The study of Agu and Ogbuji (2008) showed a positive correlation.

Physical Evidence and Perception

In all, the physical facilities available in an organization, especially services providers can drive patronage and preference. Such facilities as status of buses, the environment, building, office equipment, etc. are assessed by passengers. The proposition that attractive common features are interpreted by consumers as additional reasons for choosing the initially preferred

alternative is consistent with the dominance search framework (Montgomery 1983). The nature of buses, infrastructural facilities, terminal neatness, available equipment and all the contact and touch points represent the physical evidence in the road transport sector.

2.1.4 Concept of Service Quality

As noted by Agu (2015), the intangible nature of services has made it difficult for customers to state precisely the quality level of services paid for. In general terms, the word quality is taken to mean good quality, although allowance must be made for bad quality. Service Quality (SQ) can be defined as an assessment of how well a delivered service conforms with client's expectations. Service business operators often assess the service quality provided to their customers in order to improve their service, to quickly identify problems, and to better assess client satisfaction” (BusinessDictionary.com , 2013). To Anyanwu (2008), quality statements can only be made when a customer has experienced two standards of comparative elements.

Levies and Boom (1983) as quoted in Anyanwu (2008) defined service quality as a measure of how well the service delivered matches customer expectations. Anyanwu (2008) asserts that the salient point in services delivery is “conformity to customer expectations on a consistent basis”. On the other hand, Agu (2015) sees customer expectations as the levels of satisfaction which the service consumer envisages to obtain after the consumption or reception of the service paid for. Thus, when service quality performance is evaluated and or compared with customer expectations, variations do occur. This results in quality failure such as delayed departure in the road transport services. According to Etzel, Walker and Stanton (2001) services providers must understand two key attributes of service quality:

- (i) Quality is defined by the customer not by the provider (producer).
- (ii) Customers evaluate service quality by comparing their expectations to their perception of how the service is performed.

For effective management of service quality, the firm should:

- Help customers formulate expectations
- Measure the expectations level of its target market.
- Strive to maintain consistent service quality at or above the expectations level. Parasuraman, Zeithaml and Berry (1985) as quoted by Kotler and Keller (2007), (Anyanwu, 2008) and Agu (2015) identified a service quality model, that highlights the main requirements for delivering high quality. The model as shown in the figure below equally identifies the five gaps (SERVQUAL) that cause unsuccessful delivery as given by parasuraman et al (1985) in Kotler and Keller (2007). The gaps are as follows:-
 - (1) Gap between consumer expectation and management perception. This is because management does not always correctly perceive what customers want.
 - (2) Gap between management perception and service-quality expectation. This shows that management might correctly perceive customers' wants but not set a performance standard.
 - (3) Gap between service-quality specifications and service delivery. Personnel might be poorly trained, or capable or unwilling to meet the standard.

- (4) Gap between service delivery and external communications. Customer expectations are affected by statements made by company representatives and advertisements.
- (5) Gap between perceived service and expected service. This occurs when the consumer misperceives the service quality.

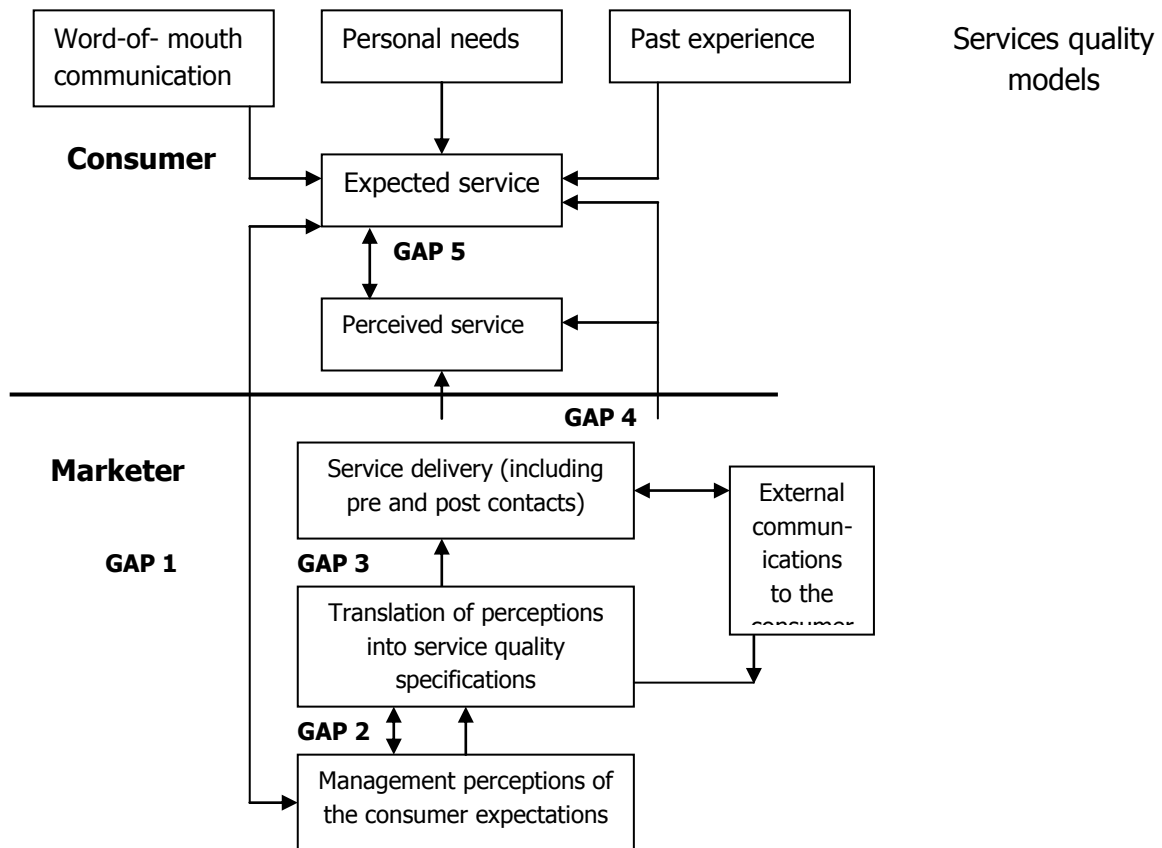


Fig 2.3 SERVQUAL (GAP) model

Source:Parasuraman, A., V. A. Zeithaml and L. L. Berry (1985), "A Conceptual Model of Service Quality and Its Implications for Future Research, *Journal of Marketing*, 49(4), 41-50.

In the SERVQUAL model presented, quality is defined as a weighted average of the quality determinants (Parasuraman, et al., 1988). The weights used in the model are effectively defined by the consumer, according to the relative importance of each quality attribute.

This model was redefined in 1990 by the originators as the rater model thus: The RATER Model was created by professors Valarie Zeithaml, A. Parasuraman, and Leonard Berry, and published in their 1990 book, "Delivering Quality Service." The model highlights five areas that customers generally consider to be important when they use a service. These are:

- **Reliability** – your ability to provide the service you have promised consistently, accurately, and on time.
- **Assurance** – the knowledge, skills, and credibility of staff; and their ability to use this expertise to inspire trust and confidence.
- **Tangibles** – the physical evidence of the service you provide. This could be offices, equipment, employees, and the communication and marketing materials that you use.
- **Empathy** – the relationship between employees and customers.
- **Responsiveness** – your ability to provide a quick, high quality service to your customers.

Other service quality models used by researchers as captured by Agu (2015) and Kalu (2015) are: Gronroos' perceived service Quality model and Kano's Two Factor Model for services. In Gronroos' perceived service quality model, expectations are a function of market communications, images, word- of- mouth promotion, customer learning and needs. Experience is a product of technical and functional quality which is filtered through the image. He identified a perception gap and demonstrated that marketers can affect this gap by managing customer expectations. The figure below shows this diagram.

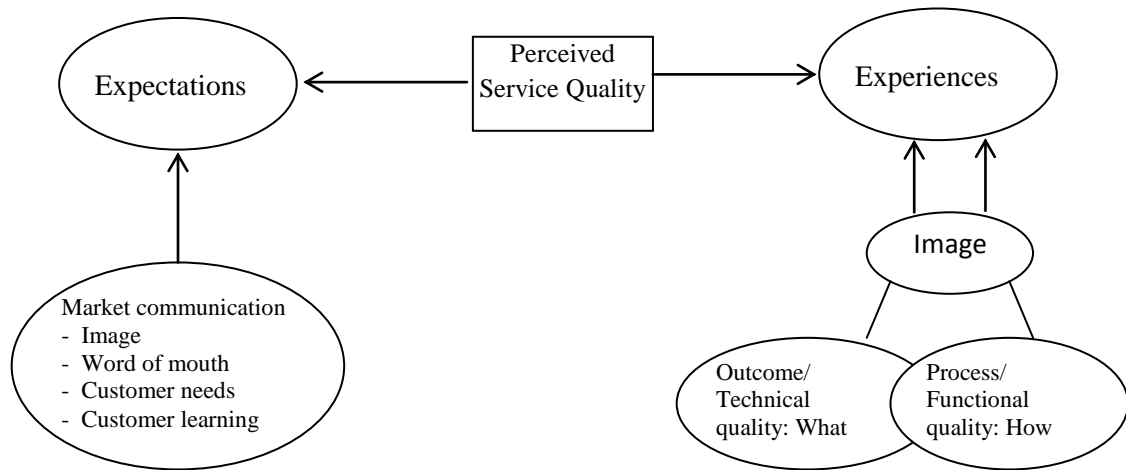


Figure 2.4: Gronroos' Perceived Service Quality Model
 Source: Gronroos' Perceived Service Quality, www.degromoboy.com/cs/gronroos.htm, (2010).

On the other hand, Kano's two factor model of service quality was introduced by Noriaki Kano in 1984. The model identifies two factors-**Must Be Quality** and the **Attractive Quality** which show in a linear form the horizontal axis of customer satisfaction that can move from "very dissatisfied" to "very satisfied". The Must-Be Quality is an attribute which the customer expects. If it is not there, the customer will be extremely dissatisfied. These attributes invariably face a diminishing rate of return. Beyond a certain point, improvement in "Must-be" qualities will yield no discernible improvements in satisfaction. The Attractive Quality is that aspect of a product or service that goes beyond established current needs and therefore is not expected by customers. If a new feature gives customers a benefit they seek, the customers may be thrilled and excited, but if this feature is not available the customer has no comment. The diagram below shows the model.

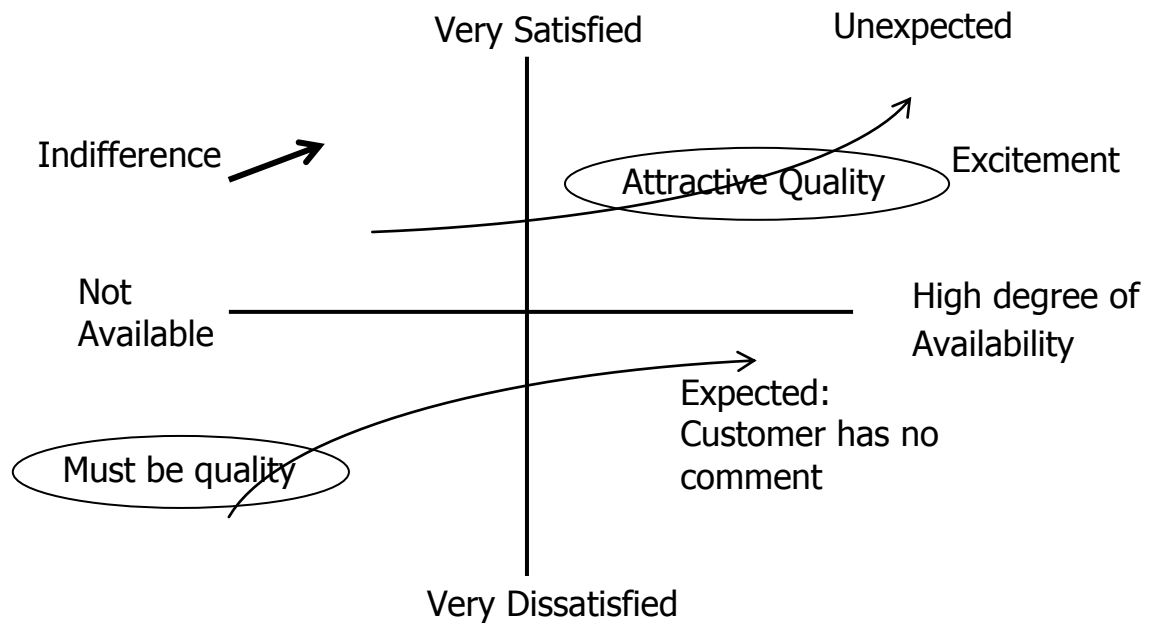


Figure 2.5: Kano's Two Factor Model of Service Quality

Source: "Kano's Revised Curve" www.degromobey.com/sc/Kano.htm, (2010).

The Customer Touch Point Service Optimization Model

It is well-documented and generally understood by most companies that high levels of customer services are necessary for high levels of customer attraction, loyalty, retention, and profitability. Many surveys (Bowes, 2012) show that existing and prospective customers will defect to competitors if companies deliver poor service or do not deliver on their service promise. An Accenture consumer survey of more than 1000 US consumers (Bowes, 2012) reports that 46% of respondents indicated they quit doing business with a company in at least one industry category in the past year as a result of poor service. And the literature is full of similar reports. Given the importance of superior customer service as both a competitive differentiator and a profit driver, many organizations continue to fail in delivering a superior or even an acceptable customer experience. Customers have service

requirements and expectations such as brand/corporate image, product/service loyalty, supplier-buyer relationship and support services which a potential service provider must identify and incorporate in the firm's service delivery package.

1. Customer Service Requirements and Expectations

A company that hopes to achieve business success, should understand the customer's service requirements and expectations, and then work diligently to achieve or surpass this expectation. A service provider such as a hotel, must identify an ideal target market (individual, group or organization), prior to developing a successful service strategy. Service companies should spend time and resources to identify only the prospects that best fit the firm's core competencies, product/service and value proposition, for the development of a more effective service strategy (Bowes, 2012). The search for ideal prospects can be achieved by carrying out these activities in a target market.

- (a) Focus marketing efforts to attract the best prospects.
- (b) Invest financial resources efficiently to attract ideal customers.
- (c) Establish expertise in a target or niche market and
- (d) Create differentiation in a highly competitive market.

Firms should ensure that customers make inputs into their operations. Companies should also make efforts to provide service delivery that enhances customer experience, loyalty and retention. All members of the organization should be involved in this task. Every organization should develop an effective customer service process which should be fully known and implemented in every aspect of the company's operations. The needs, requirements and expectations of customers must be identified and met at every point of interaction between customers and employees.

Expectations and criteria for superior service delivery vary among customers. Consequently, it is vital to segment the customer base to facilitate the identification of the unique requirements of various buyers at each touch point. Customer segmentation also helps to develop service delivery standards for each function in order to meet and exceed the needs of each segment. Furthermore, segmentation makes it possible to optimize both service delivery and service profitability by delivering superior service and raising customer experience in each market segment. (Zorn, et al., 2009). In Fig 2.2 that follows, AMA Communication Services, (2012), presents a customer touch point service optimization model.

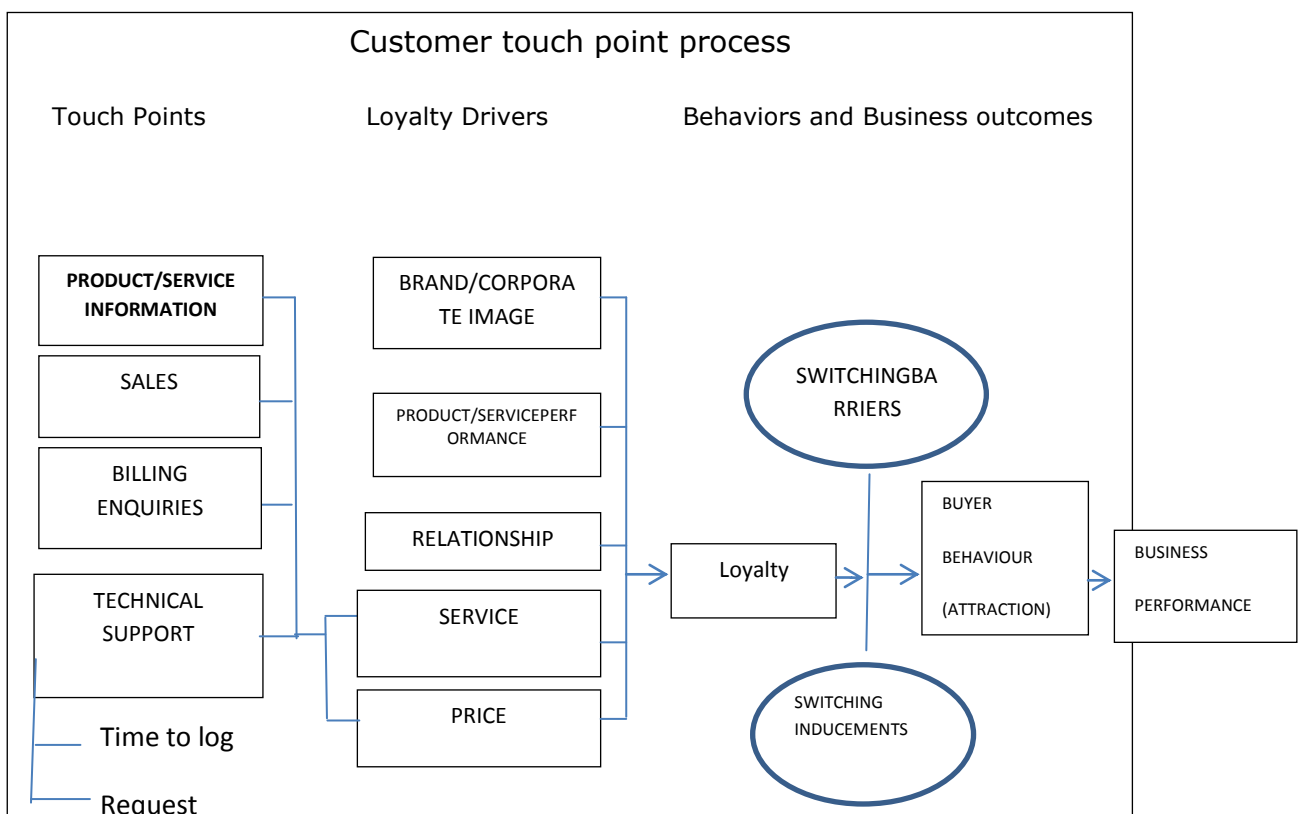


Fig. 2.6: Customer Touch Point Optimization Model

Source: AMA Communications Services (2012)

The model, represented in fig 2.6, depicts the relationship between key touch points, customer loyalty and business outcomes. From the chart, it is

evident that touch points between service provider and customers occur during provision of product/service information, sales, billing enquiries, and technical support among others. The diagram also identifies the factors that elicit customer loyalty which includes brand/corporate image, product/service quality, supplier-buyer relationship, product/service price and support services. The consistency of the supplier in focusing on these loyalty-inducing factors will strengthen customer loyalty and prevent brand switching. The favourable buyer behaviour generated by the efficient management of customer touch points leads to successful business and marketing performance. The customer touch point described above can be modified and applied by the hotel industry to upgrade the quality of their service delivery.

Fig.2.7 like Fig 2.6 represents a situation where a company provides a uniform level of service at each functional touch point, while Fig. 2.4 depicts the service requirements for one customer group.

	Product Information	Sales	Billing Inquiries	Tech. Support
In Person	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Phone Rep	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
IVR	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Web	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Mail/Fax	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Fig.2.7: Uniform Customer Touch Point Service

Source: AMA Communications Services (2012)

Fig. 2.7, depicts delivering the same level of service to all customers at all functional touch points. There are no cost efficiencies because the service provider attempts to deliver the same level of service to all customers at all functional touch points, instead of focusing on satisfying the unique needs of each customer segment.

	Product Information	Sales	Billing inquiries	Tech. Support
In person				
Phone Rep		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
IVR				
Web	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Mail/Fax	<input checked="" type="checkbox"/>			

Fig. 2.8: Optimal Customer Touch Point Delivery to a Market Segment
Source: AMA Communications Services (2012)

In Fig. 2.8 the service levels and deliverables are adjusted to reflect the requirements of a market segment. Significant cost savings are achieved by virtue of tailoring the service to the specific needs of a particular segment. In summary, the understanding and efficient application of the customer touch points model provide on-going opportunities to the road transport industry to increase (or decrease) customer loyalty. The objective of the segmentation process is to create a cost-effective way to deliver a superior

customer experience across each key customer touch point, and across each customer segment. According to Bowes (2012), successful outcomes of the segmentation process include, but are not limited to: (i) Better alignment between customer experiences and customer requirements,(ii) More effective resource allocation, and (iii) Reduced service delivery costs by eliminating elements that do not add value to customers' experiences.

Quality in everyday language often tends to express general approval. However, Klaus (1985) distinguished different meanings for clients, employees and managers of service organizations, and for the general public when they refer to quality in everyday language. "Quality in service clients' minds is some aggregated net value of benefits perceived in the service encounter over what had been expected (Klaus, 1985). From the client's perspective, a service can be divided into two elements: the actual functional service, and the manner in which the service is performed or delivered. Service quality is a term that encompasses both elements, although it is most frequently used to refer to the actual functional service where the service performance and outputs are most easily measured.

From the client's viewpoint, satisfaction with a service is a function of both the functional and performance-delivery elements" (Czepiel, 1986). Organizational meaning of service quality is based on items on customer comment cards, supervisors' checklists of service standards, work procedures' manuals, and business policy statements. Employees and managers of service organizations associate quality with the physical, technical specifications and interpersonal aspects of the service. Public life views quality as the quality of work life, and the quality and effectiveness of essential health, educational, social and other public service. These conceptions include producer, client, and public interests.

In sum, quality has many meanings and the uses and interpretations of service quality in everyday life are quite diverse and vaguely defined.

Analyzing the service as a dynamic process - that is an interaction between the service organization and the client - is the basis for an understanding of quality that focuses on the subjective perceptions of consumers of the service (Jorge, 1993). Consumers' decisions are enactment of subjective perceptions, which are difficult to grasp. They depend on the personality of the consumer and they have a situation and a time component (Klaus,1985). *"Satisfaction is the consumer's subjective evaluation of a consumption experience, based on some relationship between the consumer's perceptions and objective attributes of the product"* (Klaus, 1985, p.22).Czepiel (1986) suggested that satisfaction, the result of some comparison process in which expectations are compared with that which is received, can differ from the actual evaluations or the perceptions of service quality. To understand quality requires the understanding of the concept of physical attributes of a service, as well as, consumer's psychology and culture (Jorge, 1993).

2.1.5 An Overview of Consumer Behaviour

The knowledge of consumer behaviour by marketers is the beginning of wisdom in the market place since without a good understanding of consumers, a firm's product offerings are bound to fail (Anyanwu, 2000) in Agu (2015). The above statement captures the relevance of consumer behaviour to the survival of a firm in the market place. Consumer behaviour has been defined by many authorities in the field of marketing. Achumba (1996) defines it as the activities of people engaged in actual or potential use of market items whether products, service, information or ideas. To Pride and Farrel (1980) as quoted by Ekpendu (2008), consumer behaviour is the decision process and act of people involved in buying and using products. According to Anyanwu (2005), it is the process whereby individuals decide whether, what, when, where, how and from whom to purchase goods and

services. Busch and Houston, (1985), Assael (1985), Obasi (2002), Inyanga (1998), Onah et al (2004) Perner (2007) and Ekeke (2008) have all given explanations on the concept of consumer behaviour. In all, the basic generalization of consumer behaviour according to Inyanga (1998) is that it deals with the behaviour of individuals in the market place.

Agu and Ogbuji, (2008), while quoting Anyanwu (2005) observe that there are internal and external forces at work that cause the individual to want certain products, prefer specific brands and stores over others. The internal factors are: consumer needs, motives, perception, attitude and learning. The external determinants include: family influences, social influences, business factors, cultural influences, economic factors etc. Kotler (1986) grouped the influences as follows: cultural, social, personal and psychological factors .According to Kotler and Keller, (2007), cultural factors exert the broadest and deepest influence on a consumer's behaviour. The elements of the cultural factor include culture, subculture and social class (social stratification). Obasi (2002) supports this.

In an attempt to purchase goods and services, consumers observe certain steps. These steps may be observed consciously or unconsciously Agu (2015). Again, depending on the type of product involved, the buying situation face, etc, the consumer may or may not observe all the steps Agu (2015). The buying decision process for the ultimate consumer has been captured by many scholars such as Kotler and Keller (2007). The key steps include:

- i. Problem Recognition;
- ii. Information Search;
- iii. Evaluation of Alternatives;
- iv. Product preference
- v. Purchase Decision; and
- vi. Post-purchase Behaviour.

The speed with which consumers make purchase decisions depend among others, on the level of income, past experience. However, Okpara (2012) noted that consumers usually pass through six phases while making purchase decisions as shown in the figure below:

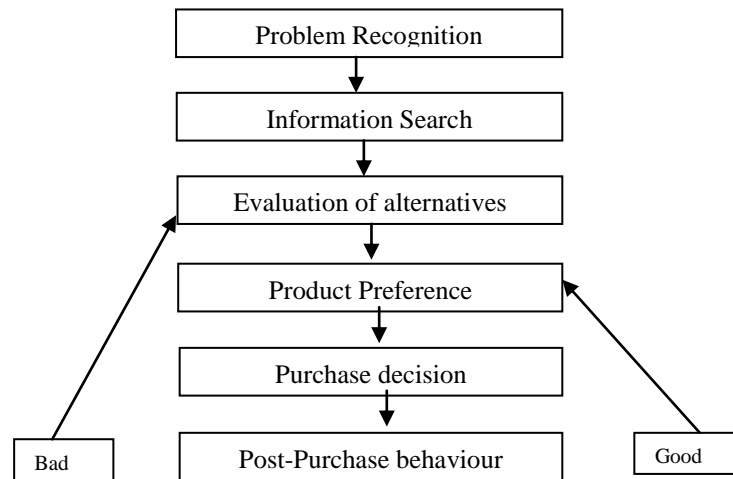


Figure 2.9: Consumer Purchase Decision Process

Source: Okpara (2012). *Contemporary Marketing: Topical and Tropicalised*. Owerri: Avan Global Publications.

Problem Recognition: Consumers hardly purchase goods or services they have no need for, hence they are called problem solvers. Understanding therefore, the first step towards purchase is to identify what problem the product would solve.

Information Search: This phase implies searching or looking out for relevant information that may assist in purchase decision. This information can come from many sources, including personal recommendations and advertisements.

Information Evaluation: This is where the consumer weighs the relevant information and determines the priority attributes to adopt. The choice of

priority attributes is influenced by a lot of factors, including income, peers, opinion leaders, etc.

Product Preference: This is the phase for matching between different brands of products and the consumer's priority attributes. It is rare to have a brand that equally matches all attributes, since products have their different characteristics and unique selling points. The brand that matches the preferred attributes more than others, is likely to be adopted for purchase.

Purchase: This is where the consumer, now convinced, goes to the market to insist on his preferred brand earlier decided upon.

Post-Purchase Experience: This is where the consumer now uses the product and measures its performance against his expectations. Where this performance is up to, or higher than his expectation, he is satisfied. Otherwise, he is dissatisfied. The dissatisfaction may lead to cognitive dissonance (an after-purchase grouse or regret). A dissatisfied consumer will neither buy the brand again, nor recommend it to others. It would be seen from figure 2.9 above that a satisfying post-purchase experience leads to continual brand preference. A bad experience, on the other hand, leads to brand resentment and a consideration of other brands. It could equally be noted that phase 5 is influenced by phases 1 to 4, including subsequently, phase 6. A marketer is expected to know this, and respond decisively and appropriately, in his bid to favourably influence the crucial phase 5, offering relevant information and demonstration, adjusting his products and price, and distributing them effectively (Okpara, 2012). Agu (2015) believes that the quality of efforts put in by the buyer, especially at the information search stage will influence the outcome of the post-purchase experience. This is because the buyer will make efforts to avoid vendors or sellers that have higher rates of service failure.

The quality of efforts put in by the buyer, especially at the information search stage will influence the outcome of the post-purchase experience. This is because the buyer will make efforts to avoid vendors or sellers that have higher rates of service failure (Agu.2015; Okpara, 2012, Agbonifof et al, 2007).

2.1.6 Model of Consumer Behaviour

Nicosia, (1966), quoted in (Anyanwu, 2003) defined a model as a mathematical version of a scheme or flow chart, and it consists of one equation or a system of equations. It is a simplified expression of related phenomena, which may be in words, mathematics or symbol. Kotler (1986)Obasi (2002)Ibekwe (2008) rightly observes that the earliest models of buyer behaviour focused attention on explaining the decision process involved in the purchase of physical goods. However, Kotler (1986)Obasi (2002)Ibekwe (2008) reported the model by Howard and Shett (1969) developed as a framework that is widely applied to service consumer purchase decisions. The figure below shows it.

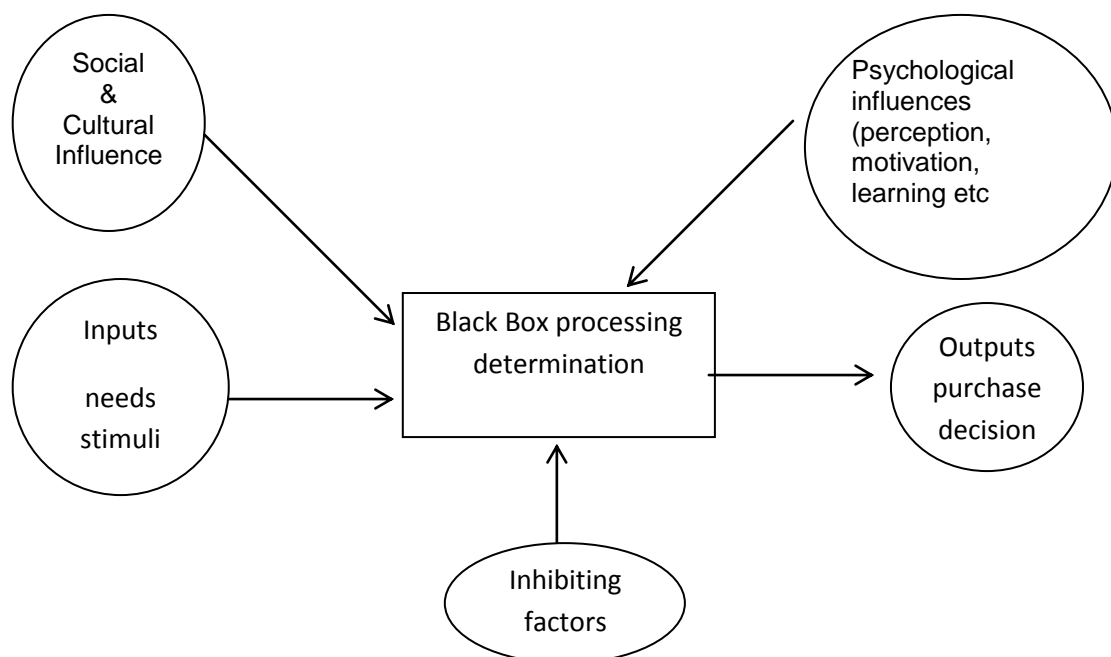


Figure 2.10: Model of Consumer Behaviour Based on Howard and Sheth (1969).

Source: Howard and Sheth (1969) quoted by Ibekwe, F. C. (2008) “Service consumer behaviour” in *Contemporary Book on Services Marketing*. Owerri: Avan Global press.

product takes place from the black box, which processes the major determinants of consumer behaviour such as social/cultural influences, psychological influences etc. The inputs (needs, stimuli, information etc) and a number of inhibiting factors that tend to prevent the buyer from making positive move towards the purchase of the product are processed in the black box before the output which is the final decision to purchase.

2.1.7 Concept of Customer Loyalty

Customer loyalty comprises both customers' attitudes and behaviors. Customers' attitudinal component represents notions like repurchase intention or purchasing additional products or services from the same company, willingness of recommending the company to others, demonstration of such commitment to the company by exhibiting a resistance to switching to another competitor (Cronin and Taylor, 1992; Narayandas, 1996; Prus and Brandt, 1995), and willingness to pay a price premium (Zeithaml, Berry, and Parasuraman, 1996). On the other hand, the behavioral aspect of customer loyalty represents actual repeat purchase of products or services that includes purchasing more and different products or services from the same company recommending the company to others and reflecting long-term choice probability for the brand (Feick, Lee and Lee, 2001). Customer loyalty expresses an intended behavior related to the product or service or to the company.

Pearson (1996) has defined customer loyalty as the mindset of the customers, who hold favorable attitudes toward a company, commit to repurchase the company's product or service and recommend the product or service to others. Customer loyalty is very significant in the creation and maintenance of competitive advantage in the service industry.

Customers act by what they perceive. For a customer's loyalty to a firm to be guaranteed, the customer must be made to develop strong positive perception towards the firm, its products, staff, etc. Perception is the process by which an individual selects, organizes and interprets information inputs to create a meaningful picture of the world (Berelson, 1964). Hawking, Best and Coney (2009) observed that perception is the critical activity that links the individual consumer to group, situation and marketing influences. It is the process of attaining awareness or understanding and interpreting sensory information. Perception is a reaction to the signals in the nervous system resulting from physical stimulation of the sense organ. As noted by Kotler and Keller (2007), perception depends not only on the physical stimuli, but also on the stimuli's relation to the surrounding field and on conditions within the individual. The existence of the three stages of the perceptual process – selective attention, selective distortion, and selective retention leads to different perceptions of same object by consumers. It therefore becomes imperative on service providers to create, position, and maintain such a status that will lead to positive perception and reaction by consumers. A loyal customer also remains faithful to a firm and supports it to grow profitably. Henning (2010) and Hayes (2012) have identified three components of customer loyalty as: Advocacy loyalty, retention loyalty and purchasing loyalty. They noted that effective management of advocacy loyalty will help drive “new customers” growth. Managing the purchasing loyalty will drive “existing customers” growth by increasing average revenue per user (ARPU). Managing retention loyalty will drive overall size

of the customer base. In all, when service failure occurs repeatedly, it results in negative perception of the service quality and delivery which may result in poor marketing performance.

2.1.8 Models of Customer Loyalty

In this study, two customer loyalty models used by researchers in the present time are captured. These are:

Five Rs Model of Customer Loyalty (5Rs Model)

Agu and Okpara (2015) developed this new model of principal components (stages) of consumer loyalty with its resulting benefits. This model known as the **Five Rs Model** of customer loyalty and the resulting benefits are shown below:

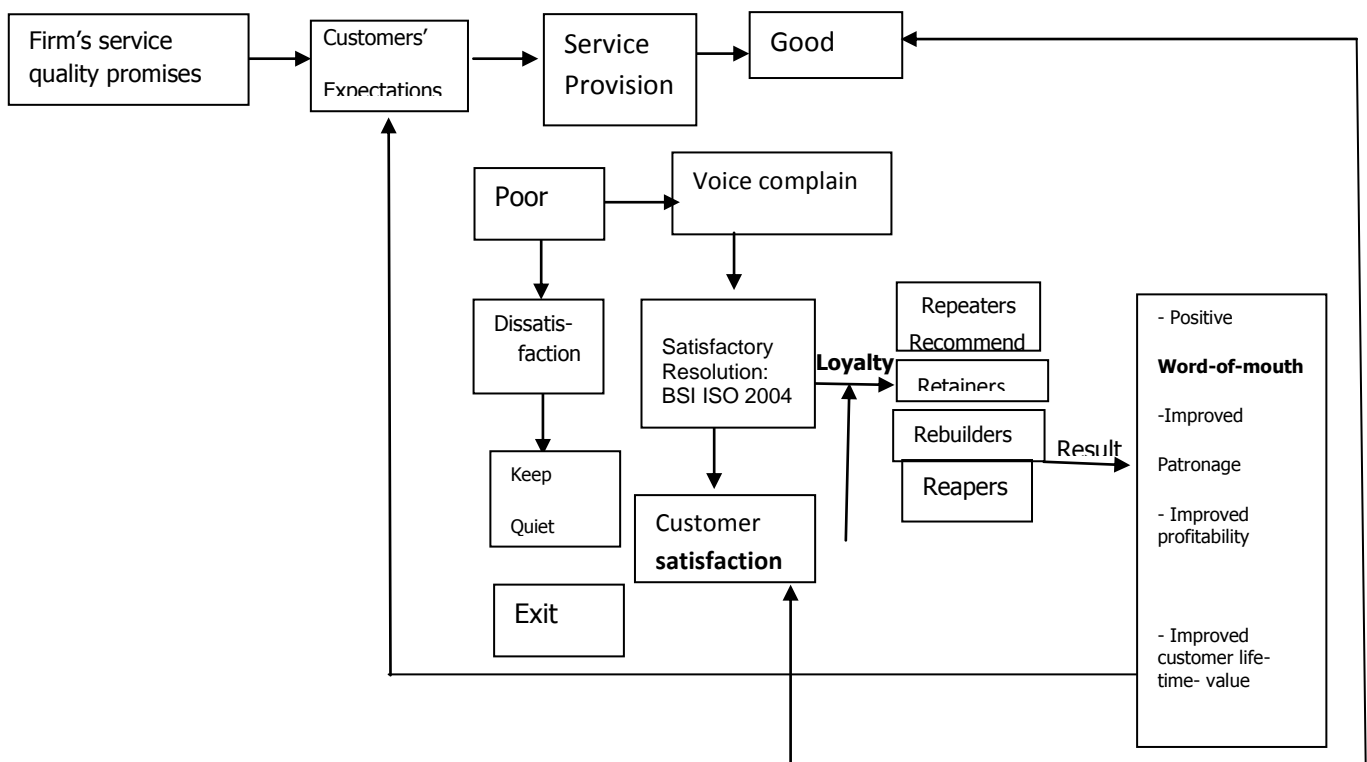


Fig. 2.11 Five Rs Model Of Customer Loyalty

Source: Agu, G.A and Okpara, G.S (2015) “Comparative Complaint Management Strategies in the Organized Road Transport Firms in Imo State”. *Journal of Marketing Research, Vol.4 No. 1.*

This model by Agu and Okpara (2015) proposes that there are five levels of customer loyalty (loyal customers). **The repeaters** are those who are satisfied and decide to re-patronize the service provider but if the initial satisfaction is not received again, they may switch provider. **The recommenders** have tried the service over and over and received consistent satisfaction that they refer others to the provider. The **remainers** or retainers have been satisfied that even when poor services occur, still bear with and remain loyal to the firm. The **rebuilders** have seen themselves as stakeholders in the organization that they make constructive complaints and suggestions to see that the firm remains at its best. **The reapers** are those customers whose loyalty to the firm has made them beneficiaries in the organization. The firm gives them annual prizes, discounts and reduces penalties for failures emanating from them. For instance, ABC Transport has the Gold and Diamond customers.

Indeed, there is a relationship between customers' perception of the service quality dimension of a firm and customers' loyalty intention. As the quality perception increases positively, so does the loyalty status of the customer from a mere repeater to a recommender of the firm's services to others. It follows again to the status of a retainer who, even when services fail, is most unlikely to switch to other providers. The status improves again to the rebuilder status where the customer becomes deeply committed to the firm to the extent of suggesting measures for continual high service quality. Then to the ultimate status of a reaper; who begins to enjoy some benefits from the firm in the form of preferential treatment, bonuses etc. These variables are used as proxies for measured customer loyalty as captured in the objectives of the study.

Rockbridge's Two Constructs of Customer Loyalty

A common paradigm that has emerged from the Total Quality Management movement is that the ultimate path to retaining customers is to satisfy their needs. The theory holds that by identifying what customers expect, and then meeting and exceeding these expectations, customers will be far less likely to seek the services of competitors. Over the past few years, analyses of different satisfaction data bases have validated this theory: that customer satisfaction is indeed a strong correlate of retention and loyalty. The level of satisfaction with a service does not completely explain loyalty. In one study of a mass market service, they discovered that when all the effects of satisfaction were controlled, the strongest predictor of brand loyalty became the number of years the customer had used their current brand.

The analysis suggested a new hypothesis about customer retention: some customers will not change their brand of service even if they are dissatisfied, while others will switch or try new alternatives even when they are completely satisfied. Other more comprehensive analyses of the determinants of loyalty and retention have suggested several factors, beyond satisfaction, that drive retention. These include:

- Past behavior
- Attitudes about purchasing, such as openness to new services
- Perceptions about the loss or gain of switching brands
- Demographics

In some cases, a company's high customer attrition rate may have as much to do with the type of customer as with the quality of service. Such companies may rely heavily on aggressive marketing. Customers who are responsive to solicitation are also more likely to be brand switchers.

To help firms more intelligently manage their customer retention, Rockbridge has developed scales to measure two constructs that together more fully explain loyalty — satisfaction and mobility. Existing customer satisfaction surveys often contain enough information to develop both of these measures. The satisfaction and mobility scales have a great deal of independence, meaning that a person who is “highly satisfied” can be either “highly mobile” (i.e., willing to switch to a competitor) or “static” (i.e., unlikely to change brands).

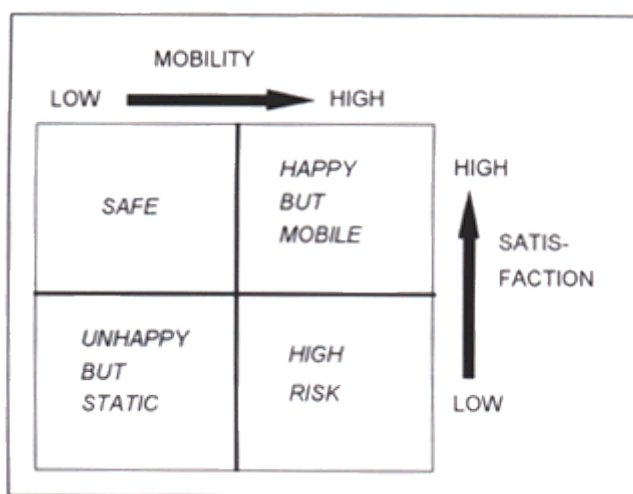


Fig. 2.12: Rockbridge’s Two Constructs Of Customer Loyalty

Source: White Paper (2013) Customer Retention: A New Paradigm for Understanding Customer Retention. Retrieved 07/06/2016 through <http://rockresearch.com>.

Customers can be classified by where they fall on each of the two characteristics:

- i. “Safe” customers are considered such because they are not only satisfied, but tend not to change services even when their satisfaction drops.
- ii. “High risk” customers are both unhappy and more likely than other customers to move on; management might consider writing off this

segment, since even if they could be satisfied, they would still be prone to leaving.

- iii. Attention needs to be focused on the “unhappy but static” customers. Every company has customers like these. Whether it is due to laziness or fear of inertia, they are likely to remain customers despite their lower satisfaction. Companies should still seek to correct these customers’ problems. Even though their odds of leaving are less, they may still change brands, and a satisfied relationship will move them into the “safe zone.”
- iv. “Happy but mobile” customers are satisfied, but are in danger of switching brands, perhaps because they like to shop for new deals or are receptive to marketing pressure. The strategy for retaining these types of customers is akin to “watching the chickens in the henhouse.” They need to be monitored more closely for switching cues. Companies should also structure pricing and programs to make sticking around economically rewarding.

Customer retention depends on much more than a process of continually improving satisfaction. It also requires dealing with attrition as an environmental circumstance that occurs even when the best service is in place.

2.1.9 The relationship between quality and customer satisfaction and loyalty

Juran (1998) argues that customer satisfaction is a state of mind where the customers think that the product features are compatible with their personal expectations. He also considers customer dissatisfaction or discontent as a separate concept, defining it as follow: Customer dissatisfaction is a state

where the product defects and flaws bring about customers' inconvenience, complaint and criticism (Kavoosi & Saghaei, 2009). Juran believes that customer satisfaction and customer dissatisfaction are not two opposite terms; in fact, customer satisfaction derives from product features or provided services which encourage customers to purchase and use that product or service. On the other hand, customer dissatisfaction originates from service or product defects and deficiencies leading to customers' complaint and displeasure (Shahin & Teimouri, 2008).

In some studies, quality and satisfaction have been used interchangeably, while in some other studies, the two terms have been distinguished. It can be argued that satisfaction is a decision made after a buying experience in the past, while quality is different. A customer may admit that a company's services are qualified, but it does not represent satisfaction of the customer who might have been displeased by high prices, although he/she may believe that the services are qualified (Storbacka et al, 1994). Moreover, Caruana found out that customer satisfaction plays a mediator role in how service quality affects customer loyalty. In other words, service quality can be effective on loyalty through customer satisfaction and it is considered as an important input for fulfilling customer satisfaction (Caruana, 2002).

In the studies conducted so far, it has been proved that ensuring customer satisfaction would gradually lead to a feeling of customer loyalty and trust in an organization. Apart from returning to their favorite organization for frequent purchase of products and reuse of services, loyal customers play a significant role in boosting profitability and improving the mental image of the organization in potential customers as an additional factor contributing to the company's product and service advertisement through endorsement and recommendation to relatives, friends and other people.

In this regard, Simon, a management theorist argues that when an organization succeeds in attracting a new customer, his/her satisfaction becomes the beginning point of a long-term relationship between the customer and organization. According to a study conducted by a research center, it was indicated that 90% of dissatisfied customers belonging to an organization never return to use the products or services provided by that organization. Furthermore, each of these dissatisfied customers told their problem to at least 9 other people, 13% of whom later on retold the issue to more than 20 other people (Kavoosi & Saghaei, 2009).

Customer satisfaction is something that includes apparent assessment of all the services and products (Leem and Yoon, 2004). Antouvakis and Lymperopoulos, (2008) conducted a research including 388 passengers who use Ferry they found that not only road transport but people want all the means of transport very efficient that there time will be saved not only time but people want its appearance should also be outstanding. Though usually Ferry is used for employees that it saves their time as there are no signals and traffic, still some of them were not satisfied. The reason was its appearance and cleanliness so the results of this study suggested that customer satisfaction is effected by the substantial elements of the service that it involves overall satisfaction level. Chien et al. (2002) affirmed that many companies implement some strategies to make customers satisfied but fails to maintain them because of lack of focus and lack of experience they fail to maintain service. Singh and Singh (2009) attempt to find the effects of innovation created by technological adaptation that how it should be carried out to increase customer satisfaction. They found that use usability reviews matters a lot to check the availability of disaster recovery that in case any experiment does not succeed they should have some strategies to overcome the loss and retain lost customers.

Elobi and Mazzulla, (2009) conducted a research related to air passengers and they found that customers want not only comfort ability but also cleanliness and it effects their satisfaction level. Aworemi et al. (2008) conducted research on public and private transport system and suggested that socio economic factors also play an important role. Further studies conducted by Gronroos (1988); Zineldin (2005); Zheng and Jiaqing (2007); Pucher et al. (2005) all concluded that customers want the best service whether it would be given by private companies or public companies and by improving quality and responsiveness customers could be satisfied which would ultimately be helpful for the reputation and profit of the companies.

2.1.10 The Nature of Nigeria's Road Transport Sector

According to Agu(2015), Transportation has been defined in many ways by many scholars. Many have viewed its relevance to economic development (Rodrigue&Nottemboom, 2013; Onolememe, 2013; Njoku, 2009; Ikpechukwu&Ureal, 2012, Ogwo&Agu, 2016). Some others looked at it from its status as a key element of the physical distribution function of marketing that makes the movement of goods from the point of production to the point of consumption and or resell possible (Anyanwu, 2003; Agbonifoh, et al., 2007; Okpara, 2012; Onah& Thomas, 2004; Inyanga, 2004; Olakunori, 2006; Kotler& Keller, 2007). From whatever angle, transportation occupies a strategic position in the economic and social activities of people (Agu, 2015).

Transportation means the movement of goods and passenger from one place to another. Agu (2015) asserts that it is generally grouped into two broad types: **based on the object carried** and **based on the means** of transport. When viewed from the object carried, there are the **transport of people** which can be done through the use of cars, buses, coaches, automobiles etc,

and the **transport of goods** which is done by the use of trucks, vans, pickups, etc. Based on the means of transport, there are, according to Onah and Thomas (2004) road transport, rail transport, air transport, water transport and pipeline transport. This study covers only the transport of people and the road transport segment in Nigeria.

As noted earlier, the Nigerian road transport system was characterized by the use of old, outdated, risky and overloaded cars, buses and coasters in moving people within short and long distances. The system was also characterized by the presence of touts used as drivers and loading assistants (conductors) who abused, insulted and treated passengers disrespectfully. From the beginning of an average journey to its end, passengers were left in the hands of fate as the reckless drivers who cared only for the money they would make through the number of trips made and cared little or not about the safety, satisfaction and comfort of passengers were ready to do anything possible to achieve their aims. Though this system is not yet completely off in the road transport system of the country, efforts have been made to attract organized corporate organizations which render modern, customer-oriented road transport services to the teeming Nigerian population who travel daily. Today, the open-market road transport services and the organized transport services exist, each group serving a particular class or segment of the total market.

According to Chidoka (2009) the road transport system in Nigeria accounts for over 75% of mobility needs of the country. The national network is currently estimated to be 194, 200km of which 34,120km (17.6%) are federal, 3050km (15.7%) are State, while 129,580km (66.7%) are local and rural roads (www.wikipedia.com,2011). Of these figures, 36900km of federal and state main roads representing 19% are paved, while 25,700km (13%) are unpaved. Also, 21,900km, 72,800km and 35,900km representing

11%, 38% and 19% are urban roads, main rural roads and village access roads respectively (CBN Statistical Bulletin, 2003). In fact, the CIA World Fact Book (2009) stressed that Nigeria has the largest road network in West Africa and the second largest South of the Sahara. It is sad to note that even the federal road networks are largely unmotorable, how much less the state and local roads that have the largest shares of the road network system in the country. Nevertheless, the road transport segment has continued to lead other segments of the transport system in their contributions to the Gross Domestic Product (GDP) of the nation. In 2009, over 90% of the contribution of the transport sector to Nigeria's GDP was from the road segment. The CBN Statistical Bulletin (2011) shows that between 2001 and 2005, the aviation segment contributed 0.04%, 0.05%, 0.04, 0.04 and 0.05 respectively, while ocean contributed 0.19%, 0.21%, 0.24%, 0.26% and 0.20% respectively. The bulk of the contributions of the transport sector to GDP since 1981 come from the road segment with 5.93% as the highest ever in 1982, 2.77%, 2.97%, 2.96%, 4.08% and 5.29% from 2001 to 2005 respectively.

Modern (1991) as cited in Inyanga, (2004) identified the factors that influence patronage of certain transportation carriers as cost, speed, reliability, accessibility, security, dependability, customer service distance, operational capability etc. the road transport segment faces serious challenges such as: poor road facilities, weak regulatory framework, increasing rate of accident, presence of many unorganized operators etc. These problems cause dissatisfaction on customers which also result in complaints.

The Nigerian road transport industry is becoming increasingly competitive as the operators have continued to learn and adopt strategic business approaches in their services. For instance, ABC transport Plc has safety as

its cardinal focus and the company monitors the speed limit of its buses through speed tracking. Most of the organized bus operators have vehicles that are sound and convenient for passengers (Aderamo, 2012; Akeem, 2010; Ogwudo, 2011; Njim&Udosen, 2007, Agu&Okpara, 2015, Ogwo&Agu, 2016). Each operator maintains a share of the total market with ABC Transport being the leader of the industry and the only quoted road transport firm in the country.

2.1.11 Conceptual Framework of the Study

The diagram below depicts the framework on which this study is based. It shows the expected inter-relatedness of the dependent and independent variables in the study and their various proxies. The rater model is seen as that which influences customers' perception of road transport firms' service quality. The perception (negative or positive) will influence the extent of customer loyalty (represented by the 5Rs model and the Rockbridge's model).

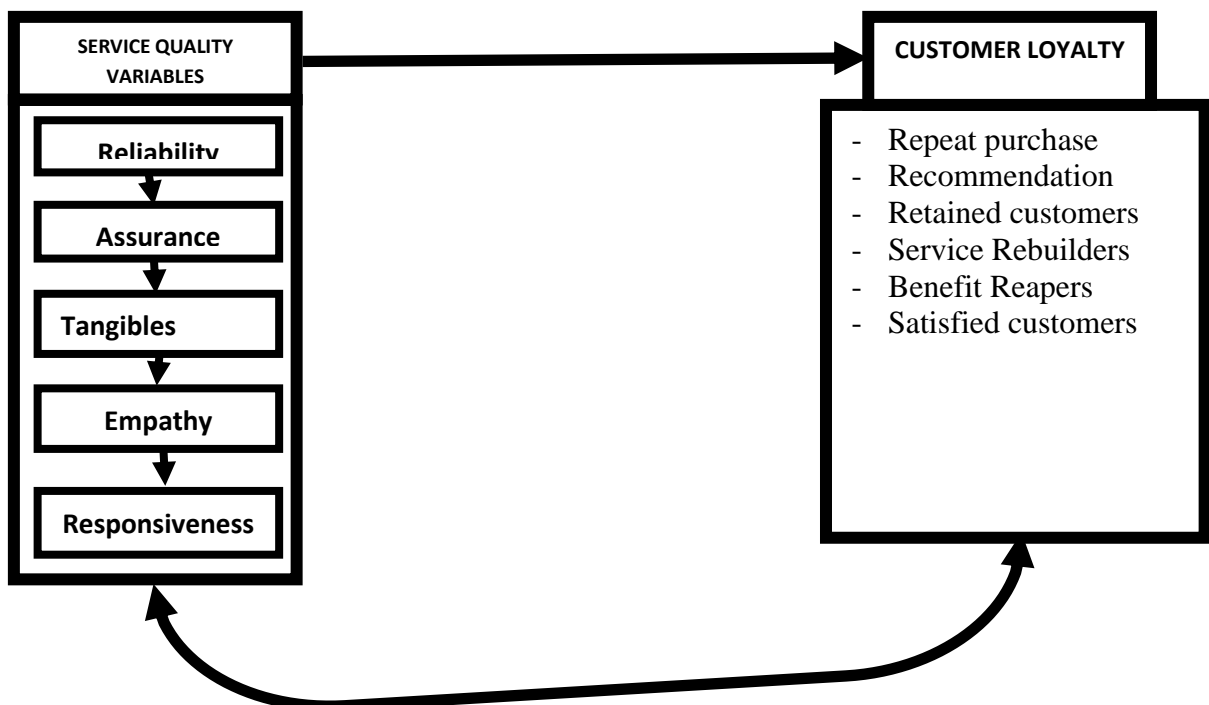


Figure 2.13 Conceptual Framework of the Study.

2.2 Theoretical Framework

This study hinges on two theories; the theory of planned behaviour/ reasoned action as well as the self-perception theory.

The Theory of Planned Behaviour & Theory of Reasoned Action

The theory of planned behaviour (TPB) is one of the most widely cited and applied behaviour theories. It is one of a closely inter-related family of theories which adopt a cognitive approach to explaining behaviour which centres on individuals' attitudes and beliefs. The TPB was postulated by (Ajzen 1985) and reaffirmed by Ajzen (1991); and Ajzen and Madden (1986). It evolved from the theory of reasoned action (Fishbein and Ajzen 1975) which posited intention to act as the best predictor of behaviour. The theory of planned behaviour suggests that behavior is dependent on one's *intention* to perform the behavior. Intention is determined by an individual's *attitude* (beliefs and values about the outcome of the behavior) and *subjective norms* (beliefs about what other people think the person should do or general social pressure) (Godin & Kok, 1995; Bandura, 1986; Perry, Barnowski & Parcel, 1990). Behavior is also determined by an individual's *perceived behavioral control*, defined as an individual's perceptions of their ability or feelings of self-efficacy to perform behavior. This relationship is typically dependent on the type of relationship and the nature of the situation.

Intention is itself an outcome of the combination of attitudes towards a behaviour. That is the positive or negative evaluation of the behaviour and its expected outcomes, and subjective norms, which are the social pressures exerted on an individual resulting from their perceptions of what others think they should do and their inclination to comply with these. The TPB added a third set of factors as affecting intention (and behaviour); perceived

behavioural control. This is the perceived ease or difficulty with which the individual will be able to perform or carry out the behaviour, and is very similar to notions of self-efficacy (see Bandura 1986, 1997; Terry et al. 1993).

These key components of the TPB are illustrated in Figure 1. Existing literature provides several reviews of the TPB (e.g. Armitage and Conner 2001; Hardeman et al. 2002; see also Rutter and Quine 2002; Munro et al. 2007; Nisbet and Gick 2008; Webb et al 2010). The TPB is suited to predicting behaviour and retrospective analysis of behaviour and has been particularly widely used in relation to health and social sciences (Armitage and Conner 2001; Taylor et al. 2007). How can this theory inform your practice?

- i. Intention has been shown to be the most important variable in predicting behavior change, suggesting that behaviors are often linked with one's personal motivation. This suggests that it may be important to present information to help shape positive attitudes towards the behavior and stress subjective norms or opinions that support the behavior.
- ii. For perceived behavioral control to influence behavior change, much like with self-efficacy, a person must perceive that they have the ability to perform the behavior. Therefore, as Grizzel(2007) suggests, perceived control over opportunities, resources, and skills needed is an important part of the change process.

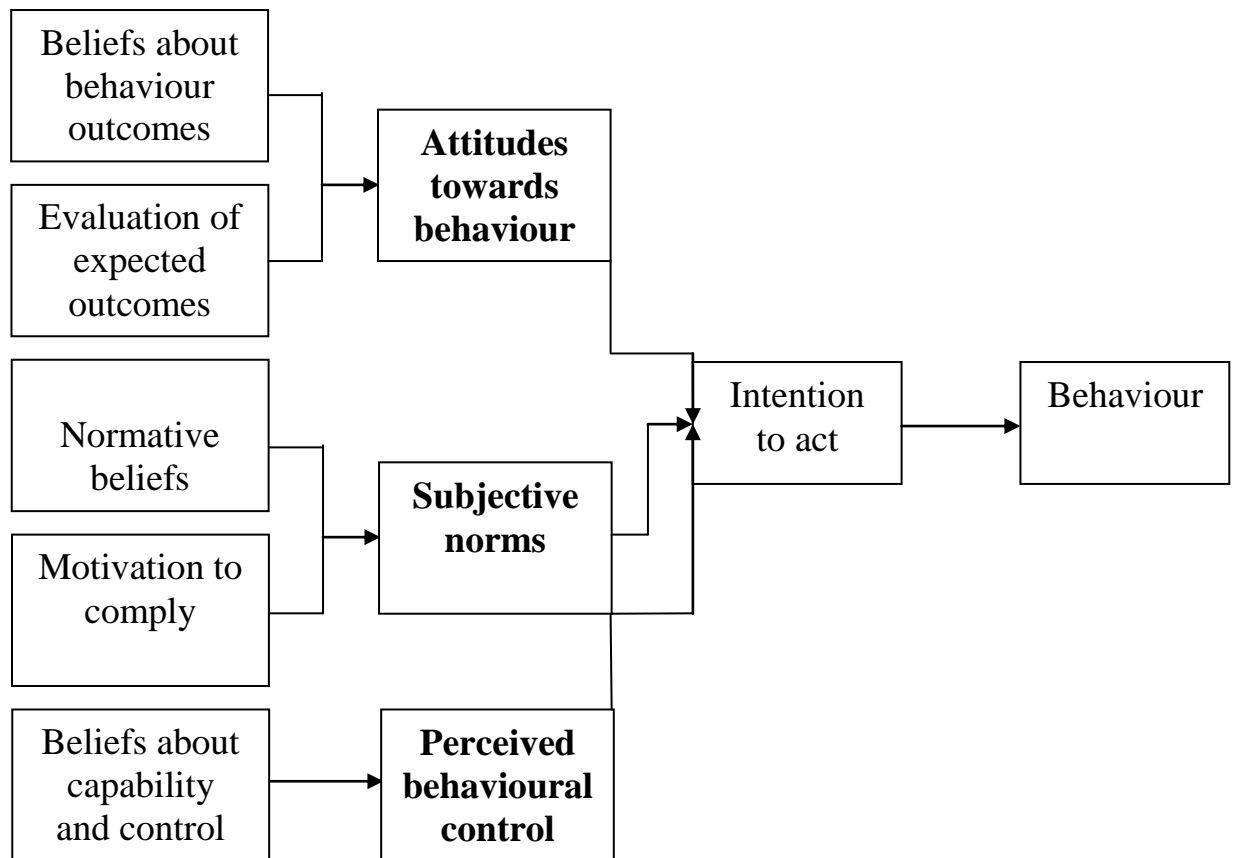


Figure 14: The Theory of Planned Behaviour (adapted from Munro et al. 2007).

Given the nature of this present study which sought to explore the link between service quality and customer loyalty intention, it is believed that road transport customers have their personal expectations which they formed before patronizing the firm. Their beliefs, motives, etc which are largely subjective will influence their intention to act. Also, attitude towards behaviour (towards perceived service quality) can influence intention to act (remain loyal) and actual behaviour (loyalty to a transport firm).

Self-perception theory (SPT)

Self-perception theory (SPT) is an account of attitude formation developed by psychologist Daryl Bem (Bem, 1967, 1972). It asserts that people develop their attitudes (when there is no previous attitude due to a lack of experience, etc.—and the emotional response is ambiguous) by observing

their own behavior and concluding what attitudes must have caused it. The theory is counterintuitive in nature, as the conventional wisdom is that attitudes determine behaviors. Furthermore, the theory suggests that people induce attitudes without accessing internal cognition and mood states (Robak, Ward & Ostolaza, 2005). The person interprets their own overt behaviors rationally in the same way they attempt to explain others' behaviors. Thus, the self-perception theory is significant in interpreting one's own attitudes, such as the assessment of one's own personality traits (Schwarz, Bless, Strack, Klumpp, Rittenauer-Schatka, & Simons, 1991; Tice, 1993) and whether someone would cheat to achieve a goal. It is also suitable in the study of loyalty intention as customers who hold themselves in high esteem (personality) would want to display loyalty willingness when a service quality falls within their acceptance region. They can also display obvious rejection of a service provider if the service is perceived poor and if it counters their perceived self-worth.

These two theories were seen as suitable for this present study, hence their adoption.

2.3 Empirical Review

Agu, Madumere, Etuk and Kalu (2015) carried out a study on factors influencing subscribers' loyalty to GSM network providers in South East Nigeria. Survey design was adopted as structured questionnaire was used to elicit needed primary data for the study. 1250 respondents, drawn from the capital cities of the five states were studied while stated hypotheses were tested using one sample t-test. Their findings revealed among others that call rate, service quality, extent of network coverage, other users' experience and promotional incentives have significant influence on subscribers' loyalty. It was recommended among others that GSM network providers should devote good attention to their tariff system, incentives,

coverage, users' word of mouth testimonies, service quality and related network services while remaining customer-focused in decisions on these key factors.

Also, Saravanakumar and Jayakrishnan (2014) studied the effect of service quality of Primary Agricultural co-operative Bank and customer loyalty of 415 customers from a particular Primary Agricultural Cooperative Bank at Thanjavur District, Tamil Nadu. They used service quality dimension (tangibility, reliability, responsiveness, assurance and empathy) to measure service quality of the bank. Customer loyalty was measured with five statements. The collected data were analyzed with descriptive statistics, correlation and regression analysis. The result showed that service quality had the impact on customer loyalty. However, it was disclosed that empathy and reliability were the dimensions that significantly influenced customer loyalty. It was judged that the bank must improve the services in terms of the tangibility, responsibility and assurance.

In a series of three studies, Chernev (2001) showed that the impact of common features of services is moderated by their attractiveness and the strength of individuals' already established preferences. In the context of a choice task, only attractive features were found to enhance individuals' already established preferences, and this effect was more pronounced for consumers with already established brand preferences compared to consumers who were indifferent to the options. The effect of attractive and unattractive features was reversed in the context of a rejection rather than a selection task. These findings were interpreted in the context of consumers confirmatory reasoning aimed at reaching a consistent and readily justifiable decision.

Okpara, Agu and Benson-Eluwa (2015) carried out a study aimed at assessing the link between brand positioning and actual customers' perception using the GSM market in Nigeria. 384 respondents were sampled from the customers of the four major GSM firms (MTN, GLO, Airtel and Etisalat) in two oldest States in South-East, Nigeria - Enugu and Imo - using structured questionnaire. Five hypotheses were formulated and tested. Findings revealed that there is a significant difference between the positioning thrust of GSM firms in Nigeria and the actual perception by the market. Again, the positioning messages of the firms influenced choice of network provider and recharge frequency, but do not significantly influence subscribers' loyalty and image formation about the firm. Implications for management are also discussed.

The study of Jahanzeb, Fatima and Khan (2011) aspired to achieve two main objectives: to comprehend customer loyalty in context of a developing country such as Pakistan where there has been an incidence of above average cellular subscriptions within the last decade and to understand underlying attitudes and behaviors of loyal customers through their demographic details. The article opted for a field study where data were collected by means of a cross-sectional approach through a structured questionnaire from 146 users of cellular operators (54 per cent male), who work in private or public sector or are self-employed. Pearson correlation, simple linear regression and correlations are used to analyze the data. The study identified that the factors that shape the loyalty of customers in the telecommunication industry of Pakistan are not just limited to trust, TSQ, SC and SL. They can also be observed through their intersection with social categories such as youth and gender. The omnipresence of mobile phones in a developing country such as Pakistan suggests that genders share their usage for technology and appreciate cellular service both on account of its

utilitarian aspects, as well as hedonic features. Mobile service has become a communication channel that aids in marketing, maintains social networks and also facilitates an informal system of learning.

Agu, Madumere, Etuk&Kalu (2015) in their findings revealed among others that call rate, service quality, extent of network coverage, other users' experience and promotional incentives have significant influence on subscribers' loyalty.

Saravanakumar and Jayakrishnan (2014) the result showed that service quality had the impact on customer loyalty. However, it was disclosed that empathy and reliability were the dimensions that significantly influenced customer loyalty. It was judged that the bank must improve the services in terms of the tangibility, responsibility and assurance.

Chernev (2001)In the context of a choice task, only attractive features were found to enhance individuals' already established preferences, and this effect was more pronounced for consumers with already established brand preferences compared to consumers who were indifferent to the options. The effect of attractive and unattractive features was reversed in the context of a rejection rather than a selection task. These findings were interpreted in the context of consumers confirmatory reasoning aimed at reaching a consistent and readily justifiable decision.

Kalu (2015) used the RATER model to ascertain hotel customers' loyalty intention. 384 respondents from hotel in Abia and Imo States were used. The study used multiple regression analysis to conclude that the rater model is a key driver of loyalty amongst hotel customers.

The paper of Adeola and Adebisi (2014) examined service quality, perceived value and customer satisfaction as the determinant of choice of airline by air travelers in Nigeria. Survey method was employed using primary data obtained through the use of questionnaires. 220 questionnaires were administered by the researcher through purposive sampling to air travelers at Murtala Muhammed International Airport in Lagos which 200 were returned and properly filled. The questionnaires were analyzed using descriptive statistics, correlation and regression with the support of SPSS 17. The study revealed that the income/social status, poor states of roads as well as the insecurity accounts for the sudden rise in air transport travelers and that service quality, perceived value influence their satisfaction level on the choice of airline. Therefore, airline companies in Nigeria should increase the quality of service since many users of the air transport requires it and make sure passengers fare paid should commensurate the service delivered so as to enhance travelers patronage.

The aim of the study of Ahmed (2015) was to investigate the relationships between service quality, food quality, customer satisfaction and customer retention in limited service restaurants in Jordan. A questionnaire-based survey was distributed to 400 students served at 10 limited service restaurants in the neighbourhood of universities in Amman, the capital city of Jordan. Service quality was measured in terms of SERVQUAL attributes. The key dimensions of food quality, customer satisfaction and customer retention were identified through literature. The data collected (283 valid questionnaires) were analysed using SPSS 20.0. The findings showed that service quality and food quality have a positive influence on customer satisfaction. In addition, service quality dimensions besides customer satisfaction have a positive influence on customer retention. Finally, the results confirmed that customer satisfaction mediates the relationship

between service quality and customer retention. The small size of the sample is the main limitation of this study. The practical implications of this study are founded on the fact that limited service restaurants in the neighbourhood of universities should realize the critical role of service and food quality in satisfying their customers as an antecedent of their retention. This study is original as it examines the relationships between service and food quality and customer satisfaction and retention in a specific type of restaurants in Jordan.

Angelova and Zekiricarried out a study in 2011. The aim of their research was to apply the American Customer Satisfaction Model (ACSI model) in the context of service quality in the Macedonian mobile telecommunication industry in order to describe how customers perceive service quality and whether they are satisfied with services offered by T-Mobile, ONE, and VIP (three mobile telecom players). A structured questionnaire was developed from the ACSI model and was randomly distributed to the users of the three mobile operators to determine their satisfaction with service quality delivery in the Macedonian mobile telecommunication market. From the analysis carried out, it was found out that the overall service quality perceived by the customers was not satisfactory, that expectations were higher than perceptions. Customers were not satisfied with service. The results and findings will provide extra information concerning customers' needs, wants and their satisfaction. It will also contribute to research since this study sets the ground for further research in measuring service quality in the service industries in Macedonia.

A comparative study of customer perception of service delivery among 200 restaurant and 200 interstate transport sub-sector customers was carried out by Isibor and Odia (2014). The focus of the study was to determine

customers' perception of service quality in the restaurant and transport industry with a view to ascertaining if there is significant difference between the two sub-sectors in terms of factors that cause customer dissatisfaction. The t-test and z-test were used to analysis the data collected from the customers through questionnaire. Their finding revealed that customers of both service sub-sectors are fairly satisfied with a significant difference in their service offerings. The outcome of this study also indicated that the reasons for customer dissatisfaction are sub-sector specific and related to the core business of the service organization. In the light of their finding, we propose that training and empowering of the frontline staff towards prompt customer service response and service recovery will help to reduce waiting time and improve employee attitudes in the restaurant and transport business organizations in Benin city in particular and the entire Nigeria in general.

Specifically, the study of Duodu and Amankwah (2011) examined the determinants of satisfaction and the effects of customer satisfaction on behavioural intentions of consumers in Ghana's insurance industry (GII), as well as the influence of background data on the relationship between satisfaction and behaviour intention. The study was a cross-sectional survey that used self-administered structured questionnaire to the target population of customers of insurance companies in Ghana. Out of the one thousand and one hundred questionnaire administered, one thousand and fifty-one usable questionnaire were obtained constituting 87.6% for analysis. Structural Equation Modeling (SEM) approach was used to analyze and test relationships among variables. The study found that Reliability and Responsiveness are Functional quality dimensions that were found to have significant impact on customer satisfaction in GII. Again, Technical quality, Price, and image quality were found to be factors that do not significantly affect customer satisfaction determination in GII. Moreover, customer satisfaction was found to have significant and positive impact on behaviour

intentions such as likelihood to recommend, switching intention and repurchase intention. Furthermore, demographic characteristics such as gender, age, education, and income levels were found to have no significant impact on the relationship between customer satisfaction and behaviour intentions.

Neringa and Volungenaite (2014) studied the relationship between service quality and customer loyalty of retail chain stores in emerging markets. They studied 370 customers in 3 countries; Lithuania, Latvia and Estonia using the survey with Principle Component Analyses and Linear Regression in SPSS. These variables studied; personal interaction, policy and product quality have positive impact on customer loyalty in the three markets. Again, Derkota and Dahal (2016) used factor analysis and multiple regression to assess the opinions of 375 bank customers in Kathmandu, Nepal. Findings show that tangibility, reliability, responsiveness, Empathy and product have significant positive impact on satisfaction and loyalty. In their study, Chingang and Lukong (2010) used the SERVQUAL Model to assess service quality and customer satisfaction of grocery stores in Umea Sweden. 180 customers (students) were involved and they concluded that service quality affects satisfaction. Also, Kofi, Zakari and Ajara (2013) assessed the impact of service quality on customer loyalty in the hotel industry in China. The SERVQUAL Model, Questionnaire and Interview were used to study 50 customers and 5 staff of 4 hotels. All variables but for tangibility have significant impact on customer loyalty.

Likewise, Obulemore, King and Alala (2014) used the Rater model and the Mean Score to assess 192 Kenyan customers' opinions on the applicability of the RATER model and its impact on customer satisfaction. They found that service quality impacts on customer satisfaction. Osmanz, Mohamed

and Mohamed (2015) used the Partial Least Square Procedure to analyze the responses of 512 customers of Malaysian commercial banks. Findings show that service quality, customer satisfaction and bank image have positive influence on customer loyalty in Malaysian banks. Also, Anisul, Mohamed and Ahmed (2012) carried out a study on service quality, customer satisfaction and customer loyalty in the Bangladesh apparel fashion retail market. 1126 respondents were involved, while Factor Analysis, structural equation model and regression analysis were used. They found that service quality impacts significantly on customer loyalty. Kumar (2015) assessed the effects of service quality on Indian customers' loyalty to telecom firms and the mediating role of customer satisfaction. They used the exploratory factor analysis to show that all the RATER components, apart from reliability have significant effect on customer loyalty. Matirez-Arguelles and Batalla-Busquet (2016) studied the effect of service quality on students' Loyalty to an open university. 1870 USA students were involved as the structural equation model was used to disclose that all the variables have significant impact on students' loyalty. Mamoun, Shuhd and Issra (2015) undertook a study on service quality, customer satisfaction and customer loyalty in the Yemeni Mobile Market. They Used the Servqual to study 1400 customers. All the variables had significant impact on customer satisfaction and customer loyalty.

In addition, Leninkumar (2016) carried out a study involving 300 bank customers in Sri Lanka to find out the effect of service quality on customer loyalty using the Rater Model. The study found out in a multiple regression that tangibles, reliability and empathy have significant positive impact while assurance and responsiveness are not significant predictors of customer loyalty. Again, Kheng, Osman, Ramayah and Mosahab (2010) in a study of 238 bank customers in Malaysia found that only reliability, empathy and

assurance have significant impact on customer loyalty while tangibility and responsiveness are not significant predictors.

Besides, Adebisi&Lawal (2017) studied 400 pharmaceutical customers in Nigeria using regression analysis, Iddressu, Noom, Fianke and Mensa (2015) studied 311 Cellular users in Ghana using multiple regression, Nsiah and Mensah (2014) studied 100 bank customers in Ghana using multiple regression, Chia-Ming and Tsung-Yuan (2017) studied 300 bank customers in Taiwan using regression analysis, Prentice (2013) studied respondents in Australia and Khen and Fiasih (2014) studied 270 Pakistan bank customers using correlation, one-sample t-test and regression analysis. All these found that the Rater Model (all variables) have significant impact on customer loyalty and satisfaction.

Researchers who found varying impacts in their studies include Dubey and Srivistava (2016) who studied 262 telecom customers in India. Findings revealed that only reliability, tangibility and assurance have significant impact on customer loyalty. Again, Edmundas, Dala, Buruta and Arturas (2016) used 224 hotel customers to disclose that all the Servqual Variables impact on customer loyalty. The work of Moisesscu and Gica (2010) in Romania used the Servperf Model on 286 travelers to find that all variables have positive effect on customer loyalty.

The study of Sokchan (2018) was designed to evaluate the main factors affecting customers satisfaction with the bus services. It examines and explores the consumer expectation on service quality of bus transport through the SERVQUAL's 5 dimensions of tangible, reliability, assurance, empathy, and responsiveness. Data were sourced from 400 passengers and analyzed with descriptive statistics. Respondents rated their satisfaction poor and that satisfaction is highly affected by perceived service quality.

The study recommended that the service operators should first focus on understanding customers' needs and their expectations before implementing the suitable service strategy to meet the customers' needs. The aim of the study of Jonathan et al (2011) was to fill the conceptual gap by identifying the dimensions of service quality and empirically examining the interrelationships among the service quality dimensions, service quality, perceived value, corporate image, customer satisfaction and behavioral intentions, in order to gain an improved understanding of passengers' behavioral intentions in the transport industry, specifically in the Taiwan high-speed rail sector. The dimensions of service quality are built on a basis of formative indicators, and also a multi-level hierarchical model is used as a framework to synthesize the effects of service quality, perceived value, corporate image and customer satisfaction on the behavioral intentions of passengers in the transport industry. The findings of this study are based on the multiple regression analysis of a convenience sample of 529 respondents. The finding reveals that there are three primary dimensions and 10 sub-dimensions of service quality in the transport industry.

Sik et al (2016) investigated the simultaneous effect of perceived value, image and perceived ease of use as well as perceived usefulness on passengers' satisfaction using 292 respondents in a survey in Jakarta, Indonesia. The multiple regression shows that satisfaction is influenced by perceived value, perceived usefulness and image, but not influenced by perceived ease of use. The convenience sampling method was adopted while recommendations were made on the importance of service quality management. The study of Esmaili, Manseh and Golshan (2013) used descriptive survey to investigate the opinion of 430 passengers of Raja rail Transport Company Teharan station in Iran. The Spearman's correlation was applied as findings show that service quality predicts customer

satisfaction and loyalty significantly. Also, Jang, Marlow and Mitroussi (2013) tested a theoretical model of service quality and customer loyalty using structural equation modeling on the responses of 227 South Korean transport customers. They found that service quality affects customer loyalty.

2.3.1 Summary of Empirical Studies Reviewed

Table 2.1: A Cross Country Review of Empirical studies

S/N	Author(s)/Year	Variables	Country	Method	Findings
1	Agu, Madumere, Etuk and Kalu. (2015).	call rate, service quality, network coverage	Nigeria	Survey of GSM customers, SPSS one sample t-test	Variables have significant influence on subscribers' loyalty
2	Saravanakumar and Jayakrishnan (2014).	RATER	Nadu	Correlation and regression analysis.	service quality had impact on customer loyalty
3	Chernev (2001)	attractive and unattractive services features	India	Regression	the impact of common features of services is moderated by their attractiveness and the strength of individuals' already established preferences
4	Okpara, Agu and Benson-Eluwa (2015)	positioning thrusts of GSM firms	Nigeria	SPSS one sample t- test	positioning messages of the firms influenced choice of network provider and recharge frequency, but do not significantly influence subscribers' loyalty and image

					formation about the firm
5	Jahanzeb, Fatima and Khan (2011)	Trust, TSQ, SC and SL	Pakistan	Pearson correlation, simple linear regression and correlations	Impact customer loyalty significantly
6	Kalu (2015)	RATER	Nigeria	multiple regression analysis	Rater model is a key driver of loyalty amongst hotel customers.
7	Adeola and Adebisi (2014)	SERVQUAL	Nigeria	correlation and regression	service quality and perceived value influence satisfaction level on the choice of airline
8	Ahmed (2015)	SERVQUAL	Jordan	correlation	customer satisfaction mediates the relationship between service quality and customer retention
9	Angelova and Zekiri (2011)	ACSI model	Macedonia	correlation	overall service quality perceived by the customers was not satisfactory, that expectations were higher than perceptions.
10	Isibor and Odia (2014).	Not clear	Benin, Nigeria	t-test & Z-test	customers of both service sub-sectors are fairly satisfied with a significant difference in their service offerings
11	Duodu and Amankwah (2011)	Adapted Rater	Ghana	Structural Equation Modeling	Reliability and Responsiveness are Functional quality

					dimensions that were found to have significant impact on customer satisfaction
12	Neringa and Volungenaite (2014)	personal interaction, policy and product quality	Lithuania, Latvia and Estonia	Principle Component Analyses and Linear Regression	All have significant impact on loyalty.
13	Derkota and Dahal (2016)	tangibility, reliability, responsiveness, empathy and product	Nepal	factor analysis and multiple regression	All have significant impact on loyalty.
14	Chingang and Lukong (2010)	SERVQUAL	Sweden.	SEM	service quality affects satisfaction
15	Kofi, Zakari and Ajara (2013)	SERVQUAL	China	Correlation	All variables but for tangibility have significant impact on customer loyalty.
16	Obulemore, King and Alala (2014)	Rater	Keya	Mean Score	Service quality impacts on customer loyalty
17	Osmanz, Mohamed and Mohamed (2015)	service quality, customer satisfaction and bank image	Malaysia	Partial Least Square	service quality, customer satisfaction and bank image have impact on customer loyalty
18	Anisul, Mohamed and Ahmed (2012)	Not defined	Bangladesh	Factor Analysis, structural equation model and regression analysis	service quality impacts significantly on customer loyalty
19	Kumar (2015)	RATER	India	exploratory	all the RATER

				factor analysis	components, apart from reliability have significant effect on customer loyalty
20	Matirez-Arguelles and Batalla-Busquet (2016)	RATER	USA	structural equation model	all the variables have significant impact on students' loyalty
21	Mamoun, Shuhd and Issra (2015)	Servqual	Yemen	SEM	All the variables had significant impact on customer satisfaction and customer loyalty.
22	Lemnkumar (2016)	RATER	Sri Lanka	Regression	Tangibles, reliability and empathy have significant effect on customer loyalty.
23	Kheng, Osman, Ramayeh and Mosahab (2010)	RATER	Malaysia	Regression	Reliability, empathy and assurance have significant impact on customer loyalty.
24	Adebisi&Lawal (2017)	RATER	Nigeria	Regression	All have significant impact on loyalty.
25	Iddressu, Noom, Fianke and Mensa (2015)	RATER	Ghana	Regression	All have significant impact on loyalty.
26	Nsiah and Mensah (2014)	RATER	Ghana	Regression	All have significant impact on loyalty
27	Chia-Ming and Tsung-Yuan (2017)	RATER	Taiwan	Regression	All have significant impact on loyalty
28	Prentice (2013)	RATER	Australia	Regression	All have significant impact on loyalty
29	Khen and Flash (2014)	RATER	Pakistan	T-TEST, Correlation and regression	All have significant impact on loyalty
30	Dubey and Srivaistara (2016)	RATER	India	Unknown	reliability, tangibility and assurance

31	Edmondas, Dala, Buruta and Arturas (2016)	Serqual	Kuanas	Regression	All have significant impact on loyalty.
32	Moisesscu and Gica (2010)	Servperf	Romania	Regression	All have significant impact on loyalty.
33	Sik et al (2016)	Perceived value, usefulness, ease of use and image	Indonesia	Multiple regression	All but ease of use affect customer satisfaction and loyalty
34	Sokchan (2018)	SERVQUAL	Taiwan	descriptive statistics	All affect customer loyalty
35	Esmielli et al (2013)	Servqual	Iran	Spearman	All affect loyalty intention

Source: Researcher's Literature Review (2018).

Gap in Literature

It is an obvious fact that very little empirical studies have been conducted in recent times using the rater model of service quality perception, especially in the Nigerian context. The few studies in Nigeria concentrated on the GSM, banking and hotel industries. None was found to be on the road transport sector. Few studies on the road transport sector; Agu and Ogbuji (2008), Isibor and Odia (2014) among others did not use any known model. Again this study, unlike previous studies is on customer loyalty rather satisfaction, patronage or marketing performance. Above all, unlike other studies that captured only one firm or one city, this study tends to be wider in scope. The study again uses two different statistical tools to test stated hypotheses while exposing areas of customer perceptual differences among the firms. Moreover, the cross country review of extant literature shows that the rater model, customer satisfaction and loyalty are still relevant areas for empirical studies. As scholars adapt the studies in different countries, industries/sectors as well as various respondents, the

present study on the road transport sector in the Easter region of Nigeria becomes imperative.

CHAPTER THREE

METHODOLOGY

3.1 Preamble

In this section, the research design, population and sample size, sources of data, sampling procedure, validity and reliability of research instrument as well as techniques for data analysis which the researcher adopted for the study are discussed.

3.2 Research Design

Given the nature of this study, the researcher adopted the survey research design. Anyanwu (2016), sees the survey research design as the investigation of the behaviour, opinion or other manifestations of a group of people by questioning them. To achieve this, the questionnaire was utilized. Again, Cross-sectional survey design which is a variant of the survey (descriptive) research design (Agu,2015) was adopted in the study since the study was carried out at different points within a given time from a sample of elements (representatives) from the study population. In the words of Ezejelue, Ogwo and Nkamnebe (2008), a Cross-Sectional survey usually consists of gathering data from the population of interest, measured on a number of characteristics, which are thought to be relevant to the area of research interest. Therefore, a cross-section of road transport customers of selected transport companies in the South Eastern part of Nigeria was studied to understand their perception of the service quality of their chosen road transporters.

3.3 Population of the Study

The study population consists of customers of the organized road transport firms operating in the South East. However, the sample frame specifically

involved the customers of four firms out of those classified by Agu and Okpara (2015) as organized transport companies. This implies that the population is finite but unknown as the companies could not give exact figures of the present customer size.

3.4 Sample Size Determination

Since the population of the study is finite but unknown, the sample size of the study was determined using the Top-man formula as cited by Ogbuji (2013) thus:

$$n = \frac{Z^2 (Pq)}{e^2}$$

Where:

- n = required number for sample size
- Z = 1.96 at 95% Confidence (Value from table)
- P = Proportion of success (Estimate from pilot study)
- q = Proportion of failure (Estimate from pilot study)
- e = error margin (0.05 or 5%)

To ascertain the values of P and q, the researcher conducted a pilot study on 20 randomly selected customers of GUO in Onitsha to find out whether firm's service quality performance can influence their loyalty intention towards the firm. 67% of the respondents gave a positive answer while 33% gave a negative answer.

Based on this, the formula was applied thus:

$$n = \frac{(1.96)^2 (0.67*0.33)}{0.0025}$$

$$n = \frac{3.8416 * 0.2211}{0.0025}$$

$$n = \mathbf{339.75}$$

This number is approximated to **340 respondents**.

To split this figure among the selected companies, the researcher visited the terminals of the transport companies in Onitsha to ascertain their Average Monthly Passenger Size (AMPS) for the year 2017. The figures made available by the terminal managers were used to ascertain the ratio of the sample size for each company.

Table 3.1 shows the firms, their AMPS and their respective share of the sample size.

Table 3.1: AMPS and Sample Size Distribution

S/N	Company	AMPS	Sample Size
1.	ABC	194	$194 \times 340 / 918 = 72$
2.	Chisco	227	$227 \times 340 / 918 = 84$
3.	Young Shall Grow	278	$278 \times 340 / 918 = 103$
4.	GUO	219	$219 \times 340 / 918 = 81$
	Total	918	340

Source: Internal Records of the Firms (2017).

3.5 Sources of Data

Primary and secondary data were used in this study. Primary data were sourced by the use of structured questionnaire that was administered on the customers of the firms. The Likert and rating structures were adopted. Secondary data were sourced from periodicals, bulletins, internet, journals, books and websites of the firms.

3.6 Research Instrument

The major instrument of data collection is a structured questionnaire. The questionnaire is divided into three main parts. Part one contains the personal data questions, while part two shows the major research variables questions structured in Likert and rating scales. It shows separate questions for the key factors shown in hypotheses. Part three has open-ended questions that are related to the key research issues. The major research variables section contains twenty-three (23) items that are designed in the likert scale of five options (From strongly agree = 5 to strongly disagree=1). The instrument was subjected to reliability and validity tests. A copy of the questionnaire is shown as appendix one.

3.7 Reliability and Validity of Instrument

The Likert Scale on dependent and independent variables were subjected to Cronbach's Alpha test to ascertain the reliability of the instrument. This was done using the responses of 20 respondents who were issued the questionnaire on a pilot test. The table below shows the result of the Cronbach's Alpha test and the factor loading for the customers.

Table 3.2: Cronbach's Alpha Test and Factor Loading

SNo	Variable	No. of Items	Cronbach's Alpha	Factor Loading
1.	Customer Loyalty Intention	5	0.8982	0.7451
2.	Reliability	4	0.8561	0.7119
3.	Assurance	3	0.8777	0.6543
4.	Tangibles	4	0.8979	0.7212
5.	Empathy	3	0.7420	0.5997
6.	Responsiveness	4	0.7441	0.5768

Source: SPSS Output, 2017.

The result shows that all the variables met the minimum threshold for acceptance since they are up to 70% (0.70).

The validity of the instrument was based on the corrections of the supervisor and other research experts. Also, the values of the factor loading show that the variables are valid for study since they are above 50%.

3.8 Sampling Procedure

The non-probability sampling technique was adopted in this study with convenience sampling method as major option. The researcher recruited and trained four field research assistants who administered the copies of the questionnaire in different terminals of the firms in the five states. Customers seen on the day of visit to terminals and who agree to be regular customers to the firms were administered with the questionnaire. The Likert scale was used to formulate questions on the five independent variables and the single dependent variable in the study. The research instrument was administered face-to-face to the respondents and retrieved same day.

3.9 Data Analysis Techniques

Collected data were analyzed using descriptive and inferential statistics. Stated hypotheses were tested using Simple Regression Analysis at 0.05 level of significance and one-way Analysis of Variance (ANOVA) in SPSS version 20. Simple regression analysis is used to predict an ordinal dependent variable given one independent variable. It is used to understand how the typical value of the dependent variable changes in relation to the independent variable (Seth, 2007). Hypotheses one to five were tested using this statistic. The equation for simple linear regression takes the form:

$$Y = \alpha + \beta X + e$$

Where: α = the Y intercept. β = the regression coefficient for the independent variable X.

Y = the dependent/criterion variable (customer loyalty)

X = the independent/predictor variables (service quality)

The **research model for this study** is of the form:

Model of Service Quality Perception and Customer Loyalty Intention to Road Transport Firms in South East:

$$CL = f(SQR, SQA, SQT, SPE, SPR + e). \quad 1.$$

Where:

CLI is Customer Loyalty Intention;

SQR is Service Quality Reliability

SQA is Service Quality Assurance

SQT is Service Quality Tangibles

SPE is Service Provider's Empathy

SPR is Service Provider's Responsiveness

e is error correction term.

The explicit specification of the models results in models 2 to 6 as shown below:

$$CLI = \alpha + \beta SQR + e \quad 2.$$

$$CLI = \alpha + \beta SQA + e \quad 3.$$

$$CLI = \alpha + \beta SQT + e \quad 4.$$

$$CLI = \alpha + \beta SPE + e \quad 5.$$

$$CLI = \alpha + \beta SPR + e \quad 6.$$

The composition, direction and relative strength of each of the five independent variables on the single dependent variable (CLI) were determined independently.

Decision Rule:

In order to validate (accept) or nullify (reject) any stated hypothesis tested with the simple regression, major attention was paid to the P- values of the tested constructs while noting the strength of the R and adjusted R squared in the model summary tables. Therefore, we rejected the null hypotheses where the SPSS p-values are less than alpha (0.05) and the alternative hypotheses will be accepted. Attention was paid to the SPSS output of Descriptive, ANOVA, Multiple Comparisons and Homogeneous Subsets tables for appropriate reject/accept decisions of stated hypotheses.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.0 Preamble

In this chapter of the study, collected data were analyzed, presented and interpreted for easy and fast assimilation by users. It should be noted that the data analyzed in this chapter are those that are relevant in addressing the objectives of the study, useful in answering the research questions raised, and critical in testing the stated hypotheses. This chapter was arranged in five different sections thus:

- Section One - Nature of distribution and retrieval of the research instrument.
- Section Two - Analysis of demographic variables of respondents.
- Section Three - Analysis of key research variables.
- Section Four - Test of hypotheses.
- Section Five - Discussion of findings.

As noted in the previous chapter, this analysis was performed using such research tools as simple percentages, pie charts, bar charts and the SPSS version 20.

4.1 Nature of Distribution and Retrieval of Research Instrument

The research instrument used in this study was structured questionnaire which was administered on randomly selected customers of the four organized road transport firms used for the study. The table below shows how the 340 copies of the questionnaire were distributed and retrieved.

Table 4.1: Distribution and Retrieval of Instrument

Transport Firms	ADPT	Copies Issued	Copies Retrieved and Used	Copies Lost	Percentage of Used
ABC	194	72	68	4	21.00
Chisco	227	84	81	3	26.00
The Young	278	103	96	7	30.00
GUO	219	81	73	8	23
Total	918	340	318 (94%)	22 (06%)	100.00

Source: Field survey, 2018.

Table 4.1 shows that the copies of questionnaire administered on customers of the road transport firms were based on the Average Daily Passenger Traffic (ADPT) of the firms as recorded in chapter three. Copies issued were ratios of the ADPT figures. A total of 340 copies were issued. 72, 84, 103 and 81 copies were issued to customers of ABC, Chisco, The Young, and GUO, respectively. Of these figures, a total of 318 (94%) copies were retrieved – 68(94%), 81(96%), 96 (93%) and 73(90%) respectively for ABC, Chisco, The Young, and GUO. Again, a total of 22 copies, representing 6% were lost – 4(6%), 3(4%), 7(7%) and 8(10%) for ABC, Chisco, The Young and GUO respectively. Thus, further analyses were based on the 318 copies retrieved and used.

4.2: Analysis of Demographic Variables of Respondents

In this section, all the demographic questions in the questionnaire were analyzed. This section covers responses on questions 1, 2, 3, 4, and 5.

Table 4.2 Demographic Data of Respondents

Options	Frequency	Percentage
Gender:		
Male	182	57.00
Female	136	43.00
Age:		
18 to 25	64	20.00
26 to 39	34	11.00
40 to 49	155	49.00
56 and above	65	20.00
Marital Status:		
Single	153	48.00
Married	126	40.00
Others	39	12.00
Educational Qualification		
O' Level	36	12.00
ND/NCE	58	18.00
B.Sc./HND	181	57.00
Masters	26	26.00
Others	17	05.00
Length of patronage		
Less than 3 years	90	28.00
3 – 5 years	103	32.00
6 – 8 years	78	25.00
Above 8 years	47	15.00

Source: Field survey, 2018

Information shown in table 4.2 are further shown in figures 4.1 to 4.5

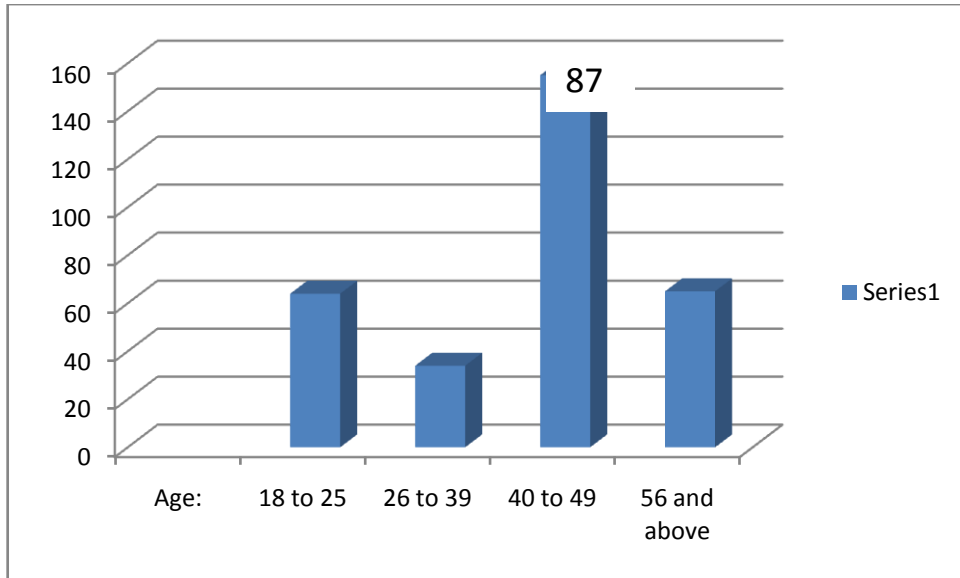


Figure 4.2:

Bar chart showing age of respondents

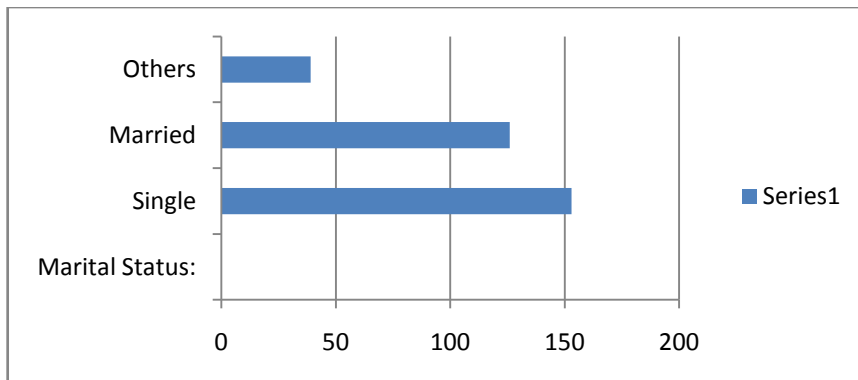


Figure 4.3: Column graph showing marital status of respondents

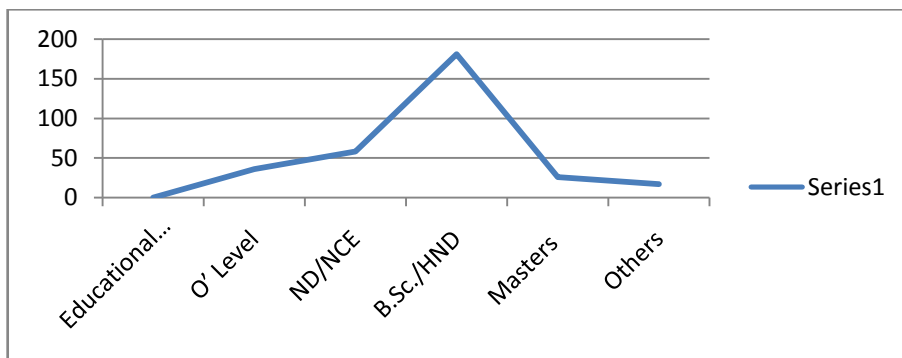


Figure 4.4: Line graph showing educational qualification of respondents

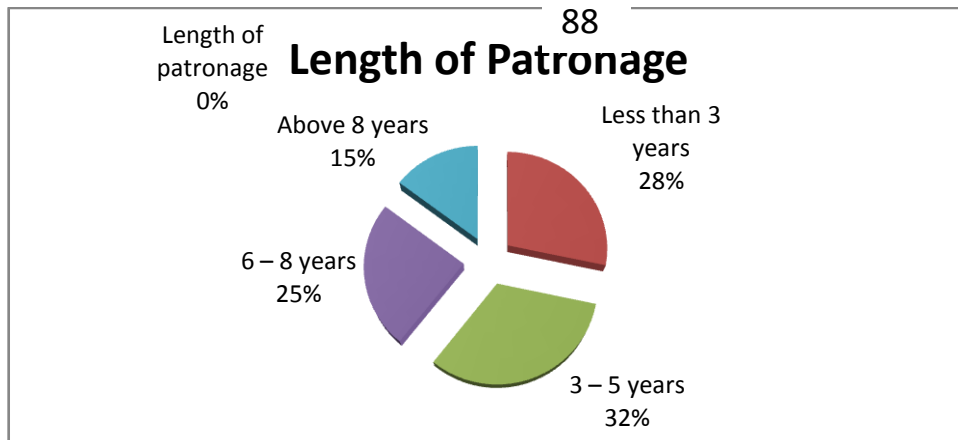


Figure 4.5: Pie chart showing length of patronage of respondents to the firms

Information displayed in table 4.2 and figure 4.1 show that 182 (57%) respondents and 136 (43%) of the respondents were males and females respectively. Again, figure 4.2 shows that 64(20%), 34(11%), 155(49%), and 65(20%) of the respondents were in the age brackets of 18 to 25, 26 to 39, 40 to 49, and 50 years and above respectively. Also, as seen in table 4.2 and figure 4.3, 153(48%), 126(40%) and 39(12%) of the respondents were single, married, and others respectively. Moreover, in figure 4.4, 36(12%), 58(18%), 181(57%), 26(8%) and 17(5%) of the respondents had O' Level, ND, B.Sc./HND, Master and above and other academic respectively as their highest academic qualifications. Besides, figure 4.5 disclosed that 90(28%), 103(32%), 78(25%), 30(10%), 16(5%), and 9(3%) of the respondents disclosed that they had patronize for a period of less than 3 years, 3 – 5 years, 6 – 8 years and above 8 years respectively.

4.3 Analysis of key research variables

Table 4.3: Responses to the rating of service quality

Options	Frequency	Percentage	Ranking
Very satisfactory	80	25.00	3rd
Satisfactory	104	33.00	2nd
Fairly satisfactory	121	38.00	1st
Unsatisfactory	9	03.00	4th
Very unsatisfactory	4	01.00	5th
Total	318	100.00	

Source: Field Survey, 2018.

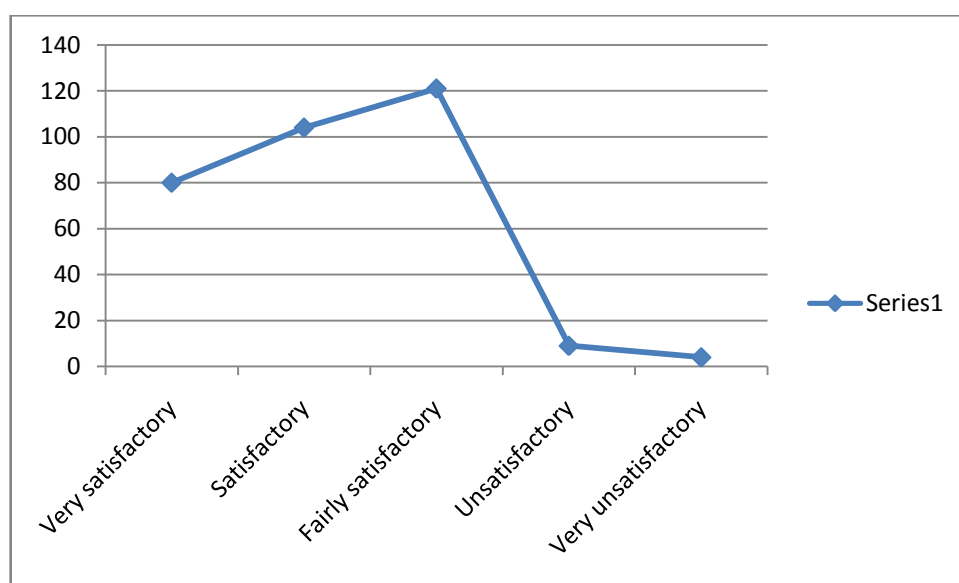


Figure 4.6: Line graph showing respondents' rating of service quality

Table 4.3 and figure 4.6 show that 80(25%), 104 (33%), 121(38%), 9(3%), and 4(1%) of the respondents disclosed that they were very satisfied, satisfied, fairly satisfied, unsatisfied and very unsatisfied with the service quality of the organized road transport companies.

Table 4.4: Analysis of responses to questions on customer loyalty intention

S/N	Statement	SA	A	UN	D	SD	Total
1.	If the service quality I receive in this company is up to my expectation, I will re-patronize the company.	210	89	11	5	3	318
2.	If the firm maintains a good service quality, I will recommend it to other customers.	242	63	9	3	1	318
3.	I will remain a loyal customer of the company if the service quality I receive remains high.	206	56	31	15	10	318
4.	I am ready to contribute in rebuilding the company through suggestions to ensure that high service quality is maintained.	168	102	37	7	4	318
5.	In future, I expect to be rewarded in some sorts, as a long time loyal customer intention.	110	138	53	11	06	318
	Total	936	448	141	41	24	1590
	Average	187	90	28	8	5	318
	Percentage	58	28	09	03	02	100

Source: Field Survey, 2018.

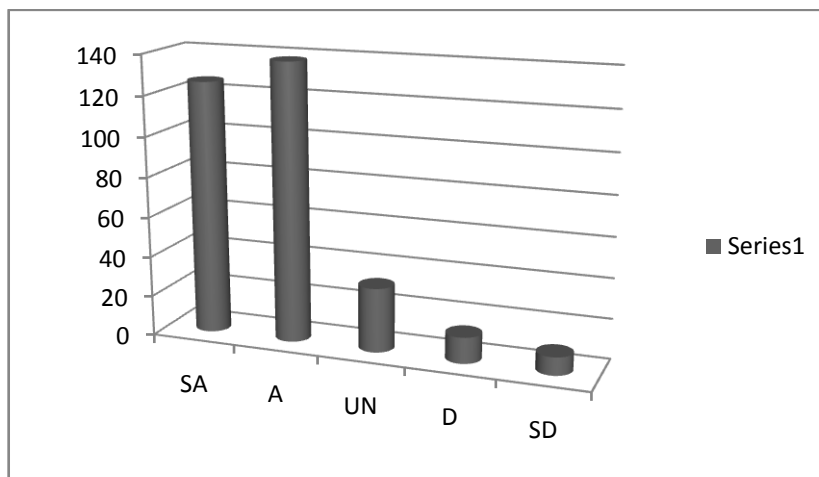


Figure 4.7: Bar chart viewing responses to questions on customer loyalty intention

Table 4.4 and figure 4.7 presented responses to the questions relating to customer loyalty intention. On the average, the table showed that 187 (58%) respondents, 90 (28%) respondents, 28 (9%) respondents, 8 (3%)

respondents and 5 (2%) respondents strongly agreed, agreed, were indifferent, disagreed and strongly disagreed respectively on the questions relating to customer loyalty intention.

Table 4.5: Analysis of responses on the effect of reliability on customer loyalty intention

S/N	Statement	SA	A	UN	D	SD	Total
1.	The firm provides promised services consistently.	103	98	59	40	5	318
2.	Service provided is usually accurate.	145	86	33	32	9	318
3.	Service paid for is usually delivered timely.	206	64	16	12	7	318
4.	The service I receive was performed rightly the first time.	210	90	5	0	0	318
	Total	664	338	113	84	21	1272
	Average	152	115	29	14	9	318
	Percentage	48	36	9	4	3	100

Source: Field Survey, 2018.

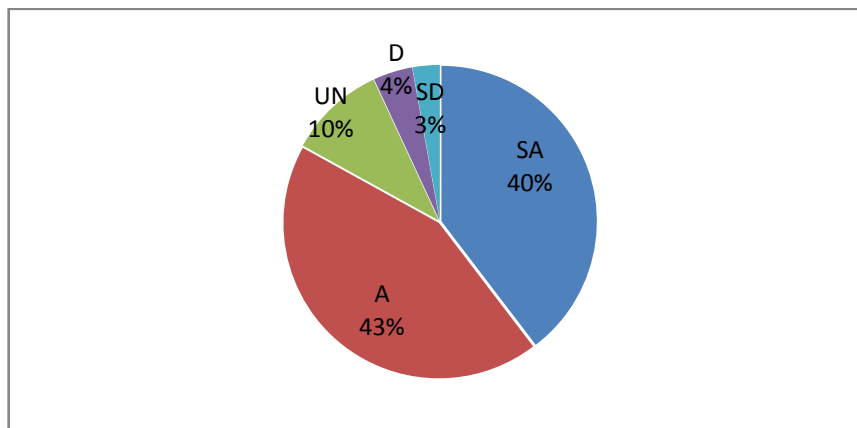


Figure 4.8: Pie chart on responses on the effect of reliability on customer loyalty intention

Data presented in table 4.5 and figure 4.8 revealed that on the average, 152 (48%) respondents, 115 (36%) respondents, 29 (9%) respondents, 14 (4%) respondents and 9 (3%) respondents strongly agreed, agreed, were

indifferent, disagreed and strongly disagreed respectively on the questions relating to the effect of service quality reliability on customer loyalty intention.

Table 4.6: Analysis of responses on the effect of assurance on customer loyalty intention

S/N	Statement	SA	A	UN	D	SD	Total
1.	Staff knowledge of required services is commendable.	170	111	15	13	9	318
2.	Staff expertise in handling the service inspires confidence in customers.	128	95	58	20	17	318
3.	The credibility of staff in handling modern technology in the sector is commendable.	139	142	17	8	12	318
	Total	437	348	90	41	38	954
	Average	146	116	30	14	13	318
	Percentage	46	36	10	04	04	100

Source: Field Survey, 2018.

Information presented in table 4.6 and figure 4.9 show that on the average, 146 (46%) respondents, 116 (36%) respondents, 30 (10%) respondents, 14 (4%) respondents and 13 (4%) respondents strongly agreed, agreed, were indifferent, disagreed and strongly disagreed respectively on the questions relating to the effect of service quality assurance on customer loyalty intention.

Table 4.7: Analysis of responses on the effect of tangibility on customer loyalty intention

S/N	Statement	SA	A	UN	D	SD	Total
1.	Facilities (vehicles and others) are attractive.	104	110	82	12	10	318
2.	Staff appearance is neat.	132	158	20	5	3	318
3.	The equipment and other facilities are quite modern.	162	123	19	9	5	318
4.	The office/building (park) is attractive.	110	89	74	30	15	318
	Total	508	480	195	56	33	1272
	Average	127	120	49	14	8	318
	Percentage	40	38	15	04	03	100

Source: Field Survey, 2018.

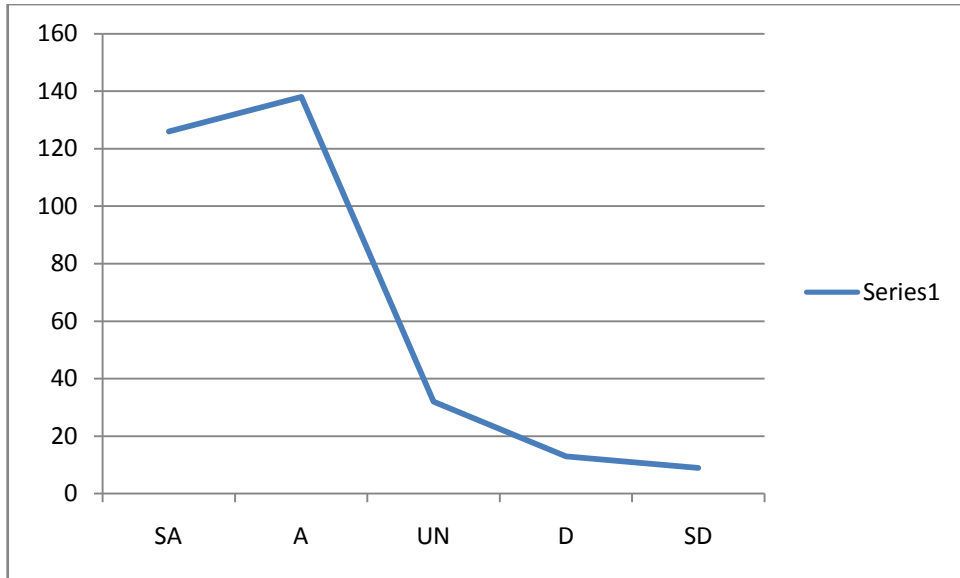


Figure 4.10: Line graph on responses on the effect of tangibility on customer loyalty intention

As shown in table 4.7 and figure 4.10, there was an average of 127 (40%) respondents, 120 (38%) respondents, 49 (15%) respondents, 14 (4%) respondents and 8 (3%) respondents who strongly agreed, agreed, were indifferent, disagreed and strongly disagreed respectively on the questions relating to the effect of service quality tangibility on customer loyalty intention.

Table 4.8: Analysis of responses on the effect of empathy on customer loyalty intention

S/N	Statement	SA	A	UN	D	SD	Total
1.	As a loyal customer, a good number of the staff recognize and address me by my name	83	110	53	42	30	318
2.	The staff of the firm is usually courteous and friendly.	120	138	40	12	8	318
3.	The staff is quite polite and respectful in dealing with customers.	148	132	21	9	8	318
	Total	351	380	114	63	46	954
	Average	117	127	38	21	15	318
	Percentage	37	39	12	07	05	100

Source: Field Survey, 2018.

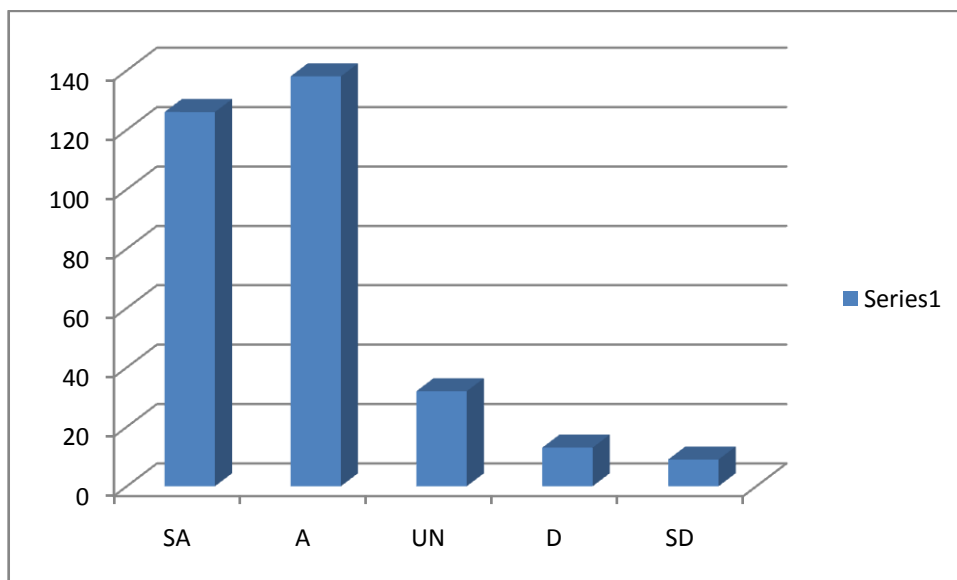


Figure 4.11: Line graph on responses on the effect of empathy on customer loyalty intention

Data analyzed in table 4.8 and figure 4.11 showed an average of 117 (37%) respondents, 127 (39%) respondents, 38 (12%) respondents, 21 (7%) respondents and 15 (5%) respondents who strongly agreed, agreed, were indifferent, disagreed and strongly disagreed respectively on the questions relating to the effect of service provider's empathy on customer loyalty intention.

Table 4.9: Analysis of responses on the effect of responsiveness on customer loyalty intention

S/N	Statement	SA	A	UN	D	SD	Total
1.	When there is a problem, the company responds quickly to address it.	99	130	54	21	14	318
2.	Staff is ready and willing to attend to customer inquiries and complaints.	109	148	31	17	13	318
3.	The firm usually works within specific time to tackle service failure satisfaction.	128	146	28	11	5	318
4.	The staff members do not disappear or stay away when customers face service failure.	168	129	16	3	2	318
	Total	504	553	129	52	34	1272
	Average	126	138	32	13	9	318
	Percentage	40	43	10	04	03	100

Source: Field Survey, 2018.

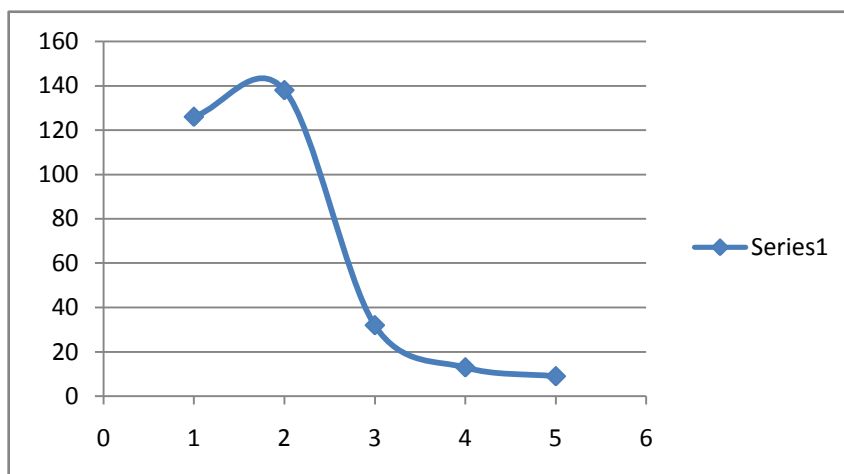


Figure 4.12: Line graph on responses on the effect of Responsiveness on customer loyalty intention

As analyzed in table 4.9 and figure 4.12, the data showed that on the average, 126 (40%) respondents, 138 (43%) respondents, 32 (10%) respondents, 13 (4%) respondents and 9 (3%) respondents strongly agreed, agreed, were indifferent, disagreed and strongly disagreed respectively on the questions relating to the effect of service provider's responsiveness on customer loyalty intention.

4.4 Test of hypotheses

In this section, all the five hypotheses were tested using Simple Regression Analysis at 0.05 level of significance and one-way Analysis of Variance (ANOVA) in SPSS version 20.

Test of hypothesis one

H₀: There is no significant relationship between perceived services liability and customer loyalty intention.

H₁: There is a significant relationship between perceived service reliability and customer loyalty intention.

This hypothesis was tested using information contained on table 4.5. The SPSS output is presented below:

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.917 ^a	.841	.840	.34836	1.825

a. Predictors: (Constant), Service Quality Reliability

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	202.130	1	202.130	166.56	.000 ^b
	Residual	38.348	316	.121		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Quality Reliability

Residuals Statistics^a

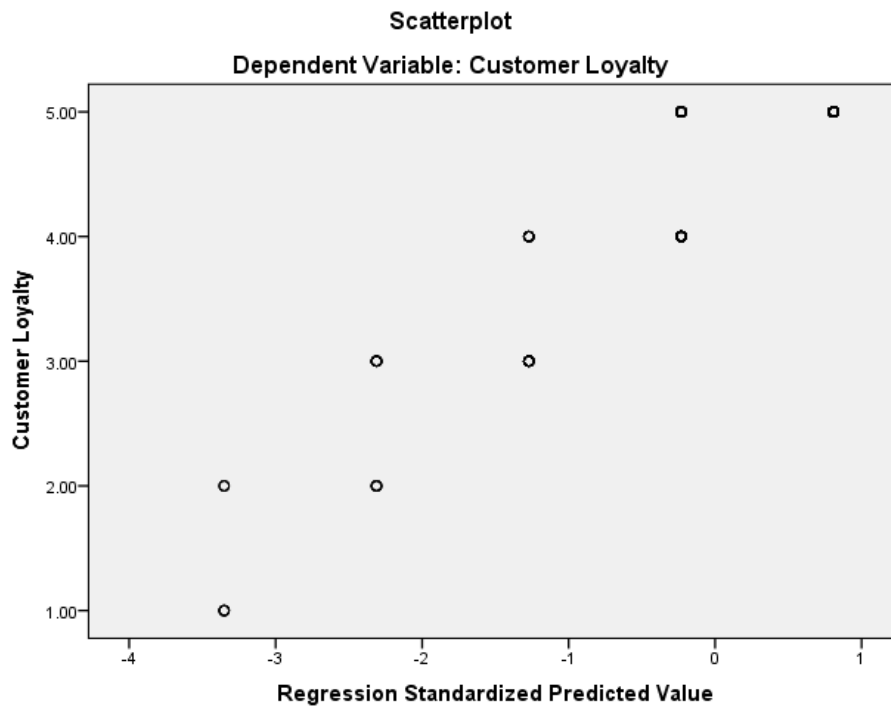
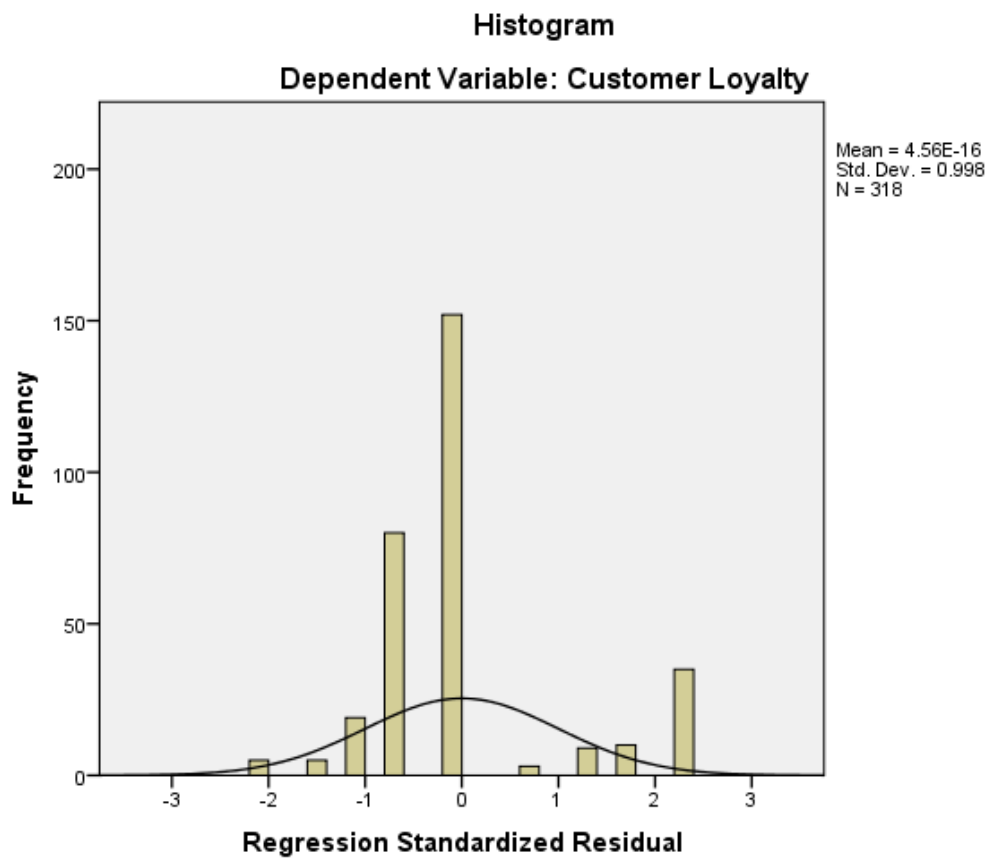
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.896	.088		10.164	.000
	Service Quality	.830	.020	.917	40.812	.000
	Reliability					

a. Dependent Variable: Customer Loyalty Intention

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.7260	5.0475	4.4025	.79852	318
Residual	-.72601	.78288	.00000	.34781	318
Std. Predicted Value	-3.352	.808	.000	1.000	318
Std. Residual	-2.084	2.247	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts



DECISION: Test is significant at 5% level.

Interpretation

The R value in the model summary table shows a simple correlation of 0.917 which shows a strong and positive correlation. The R^2 value shows how much of the total variation in the dependent variable (customer loyalty intention) that can be explained by the independent variable (service quality reliability). The table shows that 84.1% variation in customer loyalty intention to road transport firms can be explained by service quality reliability. This is very high. With a sig (p-value) of (0.000) which is less than Alpha (0.05), this implies that the overall regression model statistically predicts the outcome variable (That is, it is a good fit). This implies that service quality reliability is a significant predictor of customer loyalty among the respondents. Also, the Durbin Watson test shows that there is no first order autocorrelation since the value of DW produced by the SPSS is greater than the upper value (DU) from the critical table (1.825) is greater than DU (1.820).

Decision

Since the P-value (0.000) is less than Alpha (0.05), that is $0.000 < 0.05$ and $F_{cal} (166.56) > F_{tab} (3.84)$, we therefore reject the null hypothesis and accept the alternate hypothesis which implies that there is a significant, positive relationship between perceived service assurance and customer loyalty intention.

Test of hypothesis two

H_0 : The extent to which perceived service assurance determined customer loyalty intention is not significant.

H_1 : There extent to which perceived service assurance and customer loyalty intention is significant.

This hypothesis was tested using information contained on table 4.6. The SPSS output is presented below:

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.912 ^a	.832	.831	.35754	1.823

a. Predictors: (Constant), Service Quality Assurance

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	200.081	1	200.081	156.51	.000 ^b
	Residual	40.397	316	.128		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Quality Assurance

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.214	.083		14.618	.000
	Service Quality Assurance	.767	.019	.912	39.562	.000

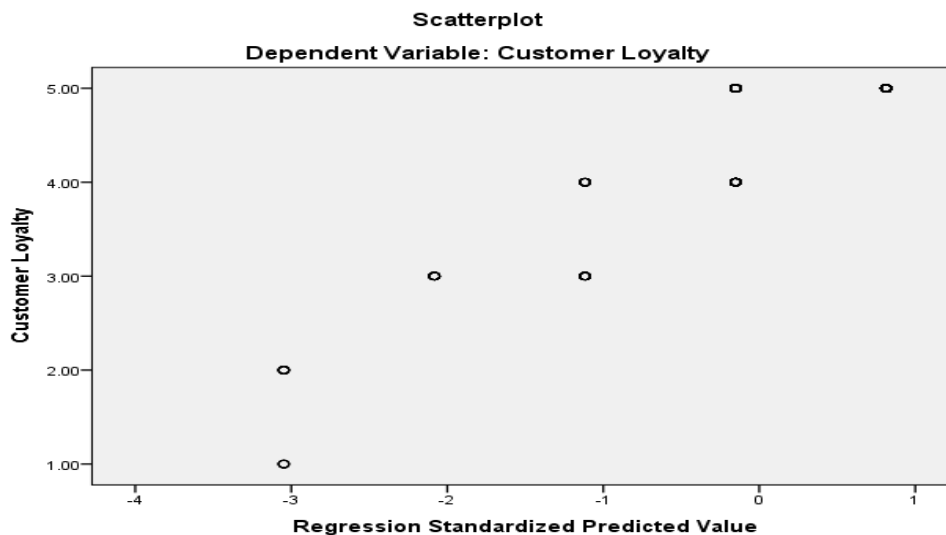
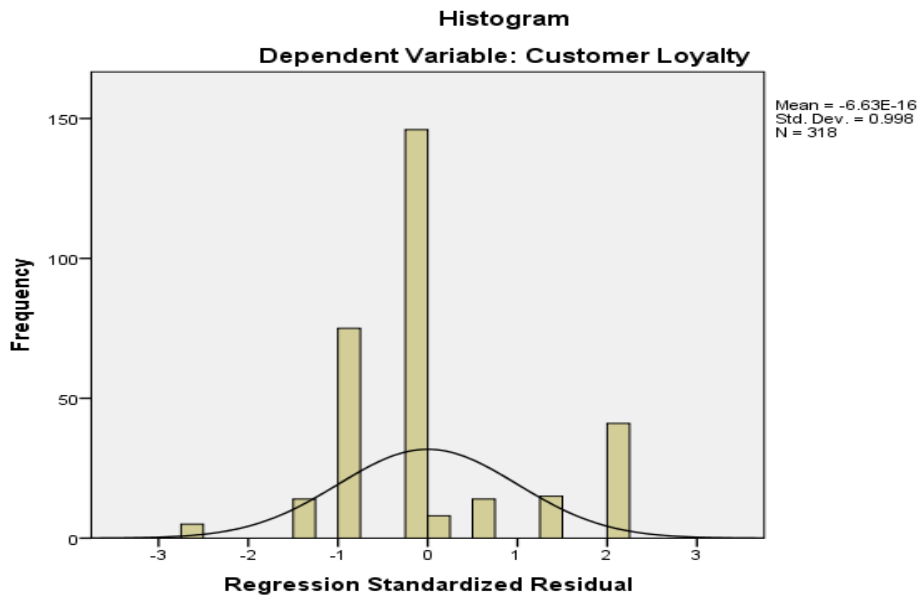
a. Dependent Variable: Customer Loyalty Intention

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.9810	5.0489	4.4025	.79446	318
Residual	-.98103	.71808	.00000	.35698	318
Std. Predicted Value	-3.048	.814	.000	1.000	318
Std. Residual	-2.744	2.008	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts



DECISION: Test is significant at 5% level.

Interpretation

The R value in the model summary table shows a simple correlation of 0.912 which shows a strong and positive correlation. The R^2 value shows how much of the total variation in the dependent variable (customer

loyalty intention) that can be explained by the independent variable (service quality assurance). The table shows that 83.2% variation in customer loyalty intention to road transport firms can be explained by service quality assurance. This is very high. With a sig (p-value) of (0.000) which is less than Alpha (0.05), this implies that the overall regression model statistically predicts the outcome variable (That is, it is a good fit). This implies that service quality assurance is a significant predictor of customer loyalty intention among the respondents. Also, the Durbin Watson test shows that there is no first order autocorrelation since the value of DW produced by the SPSS is greater than the upper value (DU) from the critical table (1.823) is greater than DU (1.820).

Decision

Since the P-value (0.000) is less than Alpha (0.05), that is $0.000 < 0.05$ and $F_{cal} (156.51) > F_{tab} (3.84)$, we therefore reject the null hypothesis and accept the alternate hypothesis which implies that there is a significant, positive relationship between assurance and customer loyalty intention.

Test of hypothesis three

H_0 : There is no significant relationship between perceived service tangibles and customer loyalty intention.

H_1 : There is a significant relationship between perceived service tangibles and customer loyalty intention.

This hypothesis was tested using information contained on table 4.7. The SPSS output is presented below:

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.878 ^a	.771	.770	.41773	1.828

a. Predictors: (Constant), Service Quality Tangibles

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	185.338	1	185.338	106.23	.000 ^b
	Residual	55.140	316	.174		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Quality Tangibles

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		

1	(Constant)	1.204	.101		11.936	.000
	Service Quality Tangibles	.784	.024	.878	32.590	.000

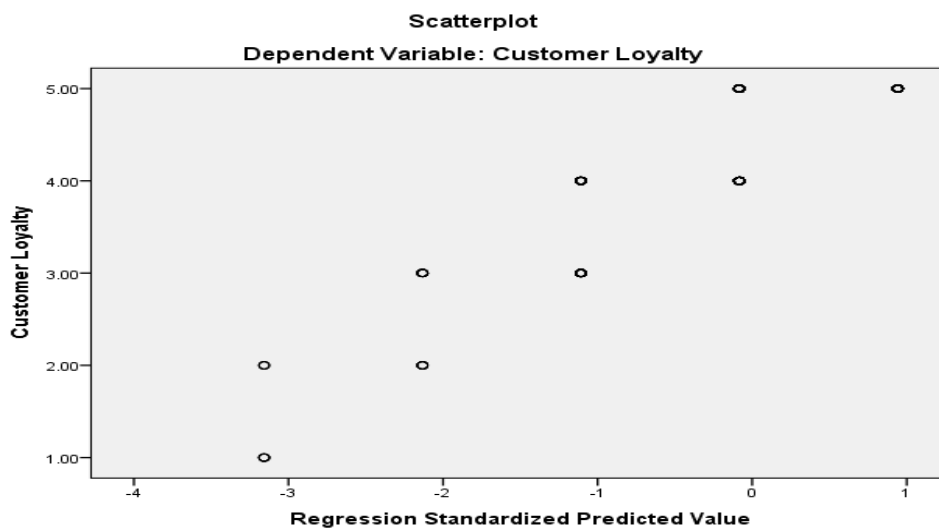
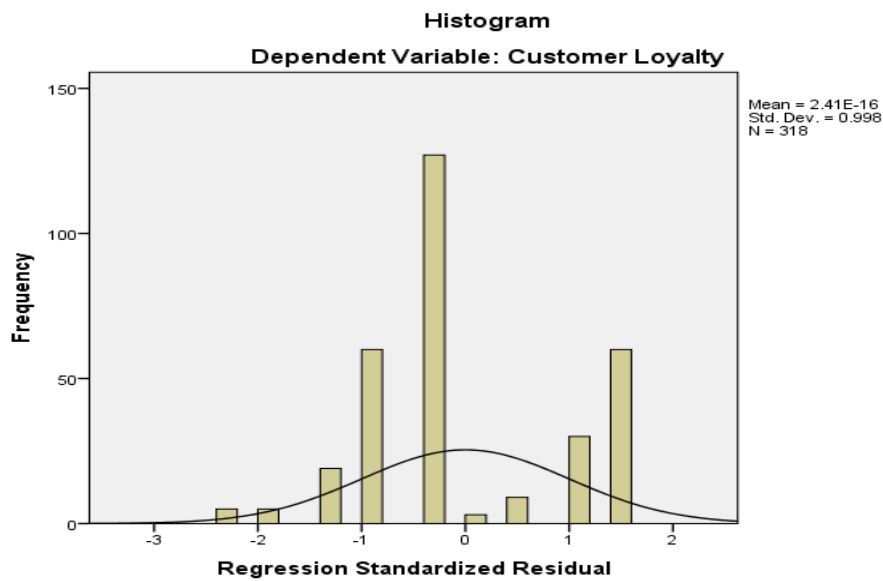
a. Dependent Variable: Customer Loyalty Intention

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.9878	5.1220	4.4025	.76463	318
Residual	-.98779	.66155	.00000	.41707	318
Std. Predicted Value	-3.158	.941	.000	1.000	318
Std. Residual	-2.365	1.584	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts



DECISION: Test is significant at 5% level.

Interpretation

The R value in the model summary table shows a simple correlation of 0.878 which shows a strong and positive correlation. The R^2 value shows how much of the total variation in the dependent variable (customer loyalty intention) that can be explained by the independent variable (service quality

tangibles). The table shows that 77.1% variation in customer loyalty intention to road transport firms can be explained by service quality tangibles. This is very high. With a sig (p-value) of (0.000) which is less than Alpha (0.05), this implies that the overall regression model statistically predicts the outcome variable (That is, it is a good fit). This implies that service quality tangible is a significant predictor of customer loyalty intention among the respondents. Also, the Durbin Watson test shows that there is no first order autocorrelation since the value of DW produced by the SPSS is greater than the upper value (DU) from the critical table (1.829) is greater than DU (1.820).

Decision

Since the P-value (0.000) is less than Alpha (0.05), that is $0.000 < 0.05$ and $F_{cal} (106.23) > F_{tab} (3.84)$, we therefore reject the null hypothesis and accept the alternate hypothesis which implies that there is a significant, positive relationship between perceived service tangibles and customer loyalty intention.

Test of hypothesis four

H_0 : The extent to which perceived service empathy determine customer loyalty intention is not significant.

H_1 : The extent to which perceived service empathy and customer loyalty intention is not significant.

This hypothesis was tested using information contained on table 4.8. The SPSS output is presented below:

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.888 ^a	.788	.788	.40125	1.822

a. Predictors: (Constant), Service Provider's Empathy

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	189.602	1	189.602	117.76	.000 ^b
	Residual	50.876	316	.161		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

c. Predictors: (Constant), Service Provider's Empathy

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.572	.086		18.380	.000
	Service Provider's Empathy	.712	.021	.888	34.317	.000

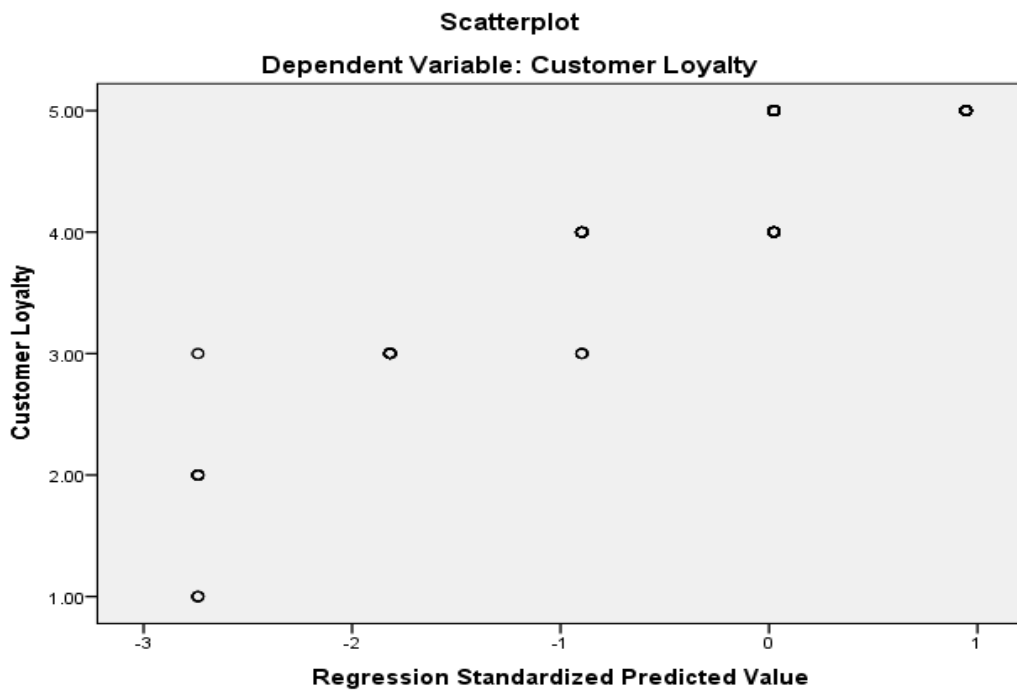
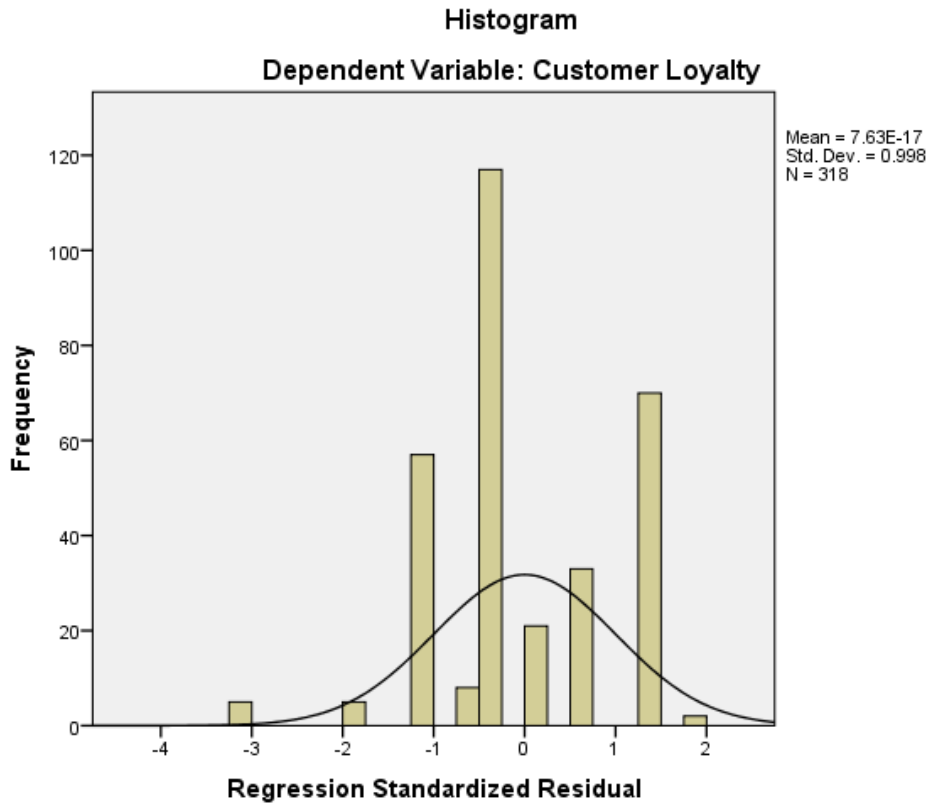
a. Dependent Variable: Customer Loyalty Intention

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.2838	5.1326	4.4025	.77338	318
Residual	-1.28383	.71617	.00000	.40061	318
Std. Predicted Value	-2.740	.944	.000	1.000	318
Std. Residual	-3.200	1.785	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts



DECISION: Test is significant at 5% level.

Interpretation

The R value in the model summary table shows a simple correlation of 0.888 which shows a strong and positive correlation. The R^2 value shows how much of the total variation in the dependent variable (customer loyalty intention) that can be explained by the independent variable (service provider empathy). The table shows that 78.8% variation in customer loyalty to road transport firms can be explained by service quality empathy. This is very high. With a sig (p-value) of (0.000) which is less than Alpha (0.05), this implies that the overall regression model statistically predicts the outcome variable (That is, it is a good fit). This implies that service quality empathy is a significant predictor of customer loyalty intention among the respondents. Also, the Durbin Watson test shows that there is no first order autocorrelation since the value of DW produced by the SPSS is greater than the upper value (DU) from the critical table (1.822) is greater than DU (1.820).

Decision

Since the P-value (0.000) is less than Alpha (0.05), that is $0.000 < 0.05$ and $F_{cal} (17.76) > F_{tab} (3.84)$, we therefore reject the null hypothesis and accept the alternate hypothesis which implies that there is a significant, positive relationship between perceived service empathy and customer loyalty intention.

Test of hypothesis five

H_0 : There is no significant relationship between perceived service responsiveness and customer loyalty intention.

H_1 : There is a significant relationship between perceived service responsiveness and customer loyalty intention.

This hypothesis was tested using information contained on table 4.9. The SPSS output is presented below:

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.883 ^a	.780	.779	.40919	1.825

a. Predictors: (Constant), Service Provider's Responsiveness

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	187.568	1	187.568	112.35	.000 ^b
	Residual	52.910	316	.167		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Provider's Responsiveness

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.057	.103		10.308	.000
	Service Provider's Responsiveness	.810	.024	.883	33.470	.000

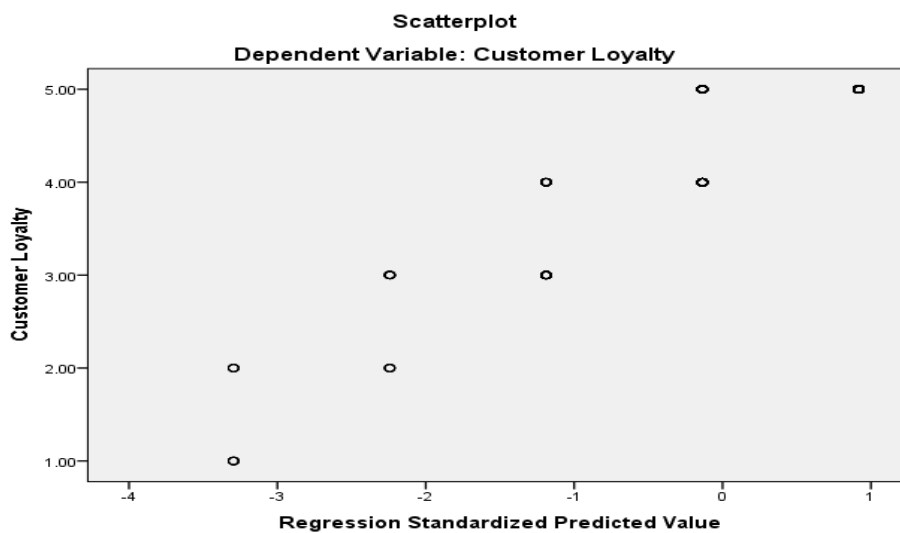
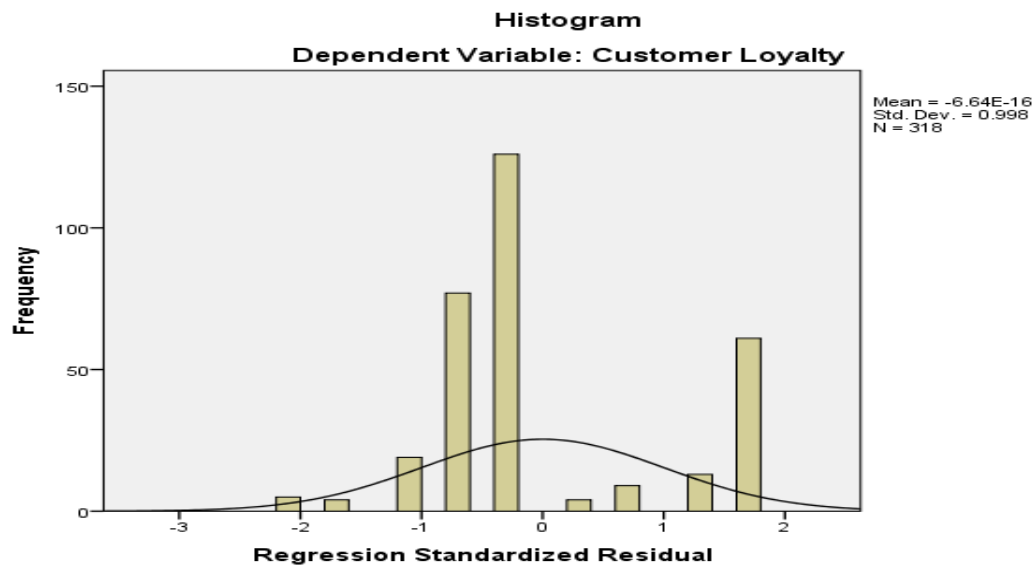
a. Dependent Variable: Customer Loyalty Intention

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8673	5.1083	4.4025	.76922	318
Residual	-.86733	.70195	.00000	.40854	318
Std. Predicted Value	-3.296	.918	.000	1.000	318
Std. Residual	-2.120	1.715	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts



DECISION: Test is significant at 5% level.

Interpretation

The R value in the model summary table shows a simple correlation of 0.883 which shows a strong and positive correlation. The R^2 value shows how much of the total variation in the dependent variable (customer loyalty/intention) that can be explained by the independent variable (service

provider responsiveness). The table shows that 78% variation in customer loyalty intention to road transport firms can be explained by service provider responsiveness. This is very high. With a sig (p-value) of (0.000) which is less than Alpha (0.05), this implies that the overall regression model statistically predicts the outcome variable (That is, it is a good fit). This implies that service provider responsiveness is a significant predictor of customer loyalty among the respondents. Also, the Durbin Watson test shows that there is no first order autocorrelation since the value of DW produced by the SPSS is greater than the upper value (DU) from the critical table (1.825) is greater than DU (1.820).

Decision

Since the P-value (0.000) is less than Alpha (0.05), that is $0.000 < 0.05$ and $F_{cal} (112.35) > F_{tab} (3.84)$, we therefore reject the null hypothesis and accept the alternate hypothesis which implies that there is a significant, positive relationship between perceived service responsiveness and customer loyalty intention.

4.5 Discussion of Findings

This section critically discusses the findings of the study based on the results of the analyses of collected data, and paying attention to the empirical evidences of previous researchers as shown in the previous section. The five factors are discussed below.

Studies on customer loyalty vary across countries and industries leading to varying outcomes in some instances. However, reviewed literature shows that empirical evidences support the fact that service quality, measured in the Rater, or Servperf models have significant, positive impact on customer loyalty and satisfaction. All the 32 empirical works sited in this regard support this assertion.

On the individual variables, Kheng et al (2010) reported that responsiveness and tangibles are not significant predictors of customer loyalty in Malaysian banks. This is contrary to our finding which shows that responsiveness and tangibles predict customer loyalty amongst road transport customers in South East Nigeria. Again the study of Leninkumar et al (2016) indicates that assurance and responsiveness do not predict customer loyalty significantly amongst bank customers in Sri Lanka. This is contrary to our study that found otherwise and supported by many scholars including Adebisi and Lawal (2017), Iddrisu et al (2015), Nsiah and Mensah (2014) and Prentice (2013) among others.

Also, the study of Dubey and Srivastava (2016) revealed that empathy and responsiveness are not significant predictors of customer loyalty in the Indian telecom sector. This is contrary to our findings on the two variables which show that they are significant predictors of customer loyalty amongst Nigerian road transport customers.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0 Preamble

In this last chapter of the study, the researcher showed the key findings of the work, concise and adequate conclusion, with relevant recommendations for policy makers. Also, suggestions for further study and researcher's contributions to knowledge are contained in this chapter. It should be noted that summary of major findings were based on the objectives of the study and tested hypotheses.

5.1 Summary of Findings

1. It was revealed that the road transport customers' rating of the service quality of the service providers is "fairly satisfactory". This is based on the cumulative mean score rating of 3.78 generated from the responses of the 318 respondents. This implies that the service quality level of the transporters is "fair" and closer to "good". Striving towards excellence in service provision would lead to more loyalty by the customers.
2. Findings indicate that customer loyalty in terms of re-patronage, recommendation, retention, customer inputs (suggestions to help rebuild the firms) and loyalty rewards are attached greatly to the level of service quality offered by the road transport firms. This implies that the service quality level of the firms will influence the level of loyalty by the customers. 86% of the respondents positively affirm this.
3. Our study revealed that there is a significant, positive relationship between service quality reliability ($\beta = .830$, $t = 40.812$, $p < .05$) and customer loyalty intention. This implies that the extent to which the

road transport firms provide promised service consistently, provide accurate services, deliver timely services and provide service quality rightly the first time a customer visits, affect customer loyalty intention significantly. Therefore, any transport firm that fails in these will suffer from customer churn and shifting loyalty.

4. Again, it was found that there is a significant and positive relationship between service quality assurance ($\beta = .767$, $t = 39.562$, $p < .05$) and customer loyalty intention in the road transport industry. This implies that staff knowledge of the service, staff expertise and staff credibility are key drivers of customer loyalty. The absence of these in any transport firm will result in shifting loyalty.
5. It was also revealed that there is a significant and positive relationship between tangibles ($\beta = .784$, $t = 32.590$, $p < .05$) and customer loyalty intention in the road transport industry in South East Nigeria. This implies that the quality of facilities, staff appearance, neatness of the environment and equipment available will drive customer loyalty significantly. Managing these touch-points effectively is required to maintain loyalty and competitive edge.
6. We equally discovered that there is a significant and positive relationship between empathy ($\beta = .712$, $t = 34.317$, $p < .05$) and customer loyalty intention. Therefore, road transport firms that have the culture of recognizing and addressing their customers by their names, courteous and friendly staff as well as polite and respectful staff will retain customers and attract their loyalty.
7. Our study also shows that service providers' responsiveness ($\beta = .810$, $t = 33.470$, $p < .05$) significantly and positively predicts customer loyalty intention. This implies that the ability of firms to respond quickly to customer issues, readiness and willingness of staff to attend to customer inquiries and complaints, ability to handle and

tackle service failure within specified time and being on ground to solve any service failure problem will significantly drive customer loyalty.

5.2 Conclusion

In view of the lucrative nature of road transport entrepreneurship in Nigeria and the relative high contribution of the segment to Gross Domestic Product from the transport sub-sector of the economy, a research on the service quality of operators is imperative. Given the intense competition within the industry, organized operators strive to maintain significant market share and customer loyalty by adopting different approaches. The service quality model (RATER) has been proven by marketing and management scholars as a reliable framework in service quality management. Although there are other service quality models such as Servperf, Servqual and iCEL among others, the RATER model is widely used by empirical researchers across the globe, hence its adoption in this study.

Made up of five critical variables (reliability, assurance, tangibles, empathy and responsiveness), the RATER model explores contending areas of service relevance to customers. This study has been able to establish, though in alignment to many extant studies, that the RATER variables are significant predictors of customer loyalty intention in South East Nigeria. Therefore, to constantly attract and retain customers, operators in the industry must be service quality conscious. When customers are satisfied with the service provision of operators, marketing performance indices will improve, leading to better competitive position.

5.3 Recommendations

Based on the findings of this study, the following recommendations are hereby made:

1. In a highly competitive industry like the road transport segment in the South East Nigeria, customers are regularly attracted, and willing to remain with firms that offer consistent good quality services. Although the organized road transport firms have been reported to offer relatively high quality services than the fairly-organized and open-market, roadside operators, this study recommends that they should strive to be “consistent” in offering good service quality. This is because customer loyalty is a process that matures as customer satisfaction with the offering of a firm progresses consistently. Fluctuating service quality should be avoided for successful all-round marketing performance. The key point here is “consistency in good service quality”.
2. Just as previous scholars have recommended, the study encourages the organized road transporters to develop modern and customer-focused responsive mechanisms in tackling core areas of service failure within the firms, and which are key causes of customer defection. Such factors as poor staff attitude towards customers, delay in scheduled departure time, overloading, over speeding and use of poorly serviced vehicles should be carefully tackled as these have been proven to be prevalent in the unorganized road transport system, which these customers seek to avoid and are willing to pay more for a better service.
3. To remain competitively relevant by winning the loyalty of customers, the operators are encouraged to demonstrate a high level of “Reliability” in their service provision. This implies that customers who would be loyal require firms to provide promised services consistently, accurately and on time. Reliability has been proven to be a consistent driver of customer loyalty in the service sector as all studies on service quality show that it significantly predicts loyalty.

Firm policies on this (service delivery time, error-free services, etc.) should be maintained for stronger competitive edge.

4. There is the need to keep staff skill up-to-date in handling innovative areas in the road transport system. This builds a strong level of confidence and assurance that the service provider is capable of rendering the claimed services.
5. Road transport firms should be conscious of their facilities and equipment. The transport business is evidence-based, hence, what the customers see, to a reasonable extent will affect their patronage, satisfaction and loyalty. Firms should ensure that:
 - Vehicles are modern and in good condition.
 - Staff appear healthy, neat and smart.
 - Office buildings and equipment (physical evidence) are attractive and capable of ensuring customer comfort and satisfaction.
6. The unorganized, open-market, roadside operators have been described as being touting structured. Staff see themselves as giants who can insult customers while struggling to win their patronage. The organized operators emerged with relatively better offerings to close this gap of poor service provision. To actualize strong customer loyalty, the following empathic service quality factors should be adopted:
 - Regular attempt to address regular customers by their names.
 - Exhibiting courteous and friendly attitude, especially when handling customer complaints.
 - Ensuring that all staff (frontline, administrative, drivers, loaders, security, etc) demonstrate politeness and respect in their dealings with the customers.
7. We advocate a responsive service provision to road transport customers. Given the fact that there are lots of macro and micro level

factors that regularly cause service failure in the road transport segment, the managements of the firms are expected to develop and implement responsive service recovery strategies that can mitigate service failure and put back smiles on the faces of dissatisfied customers. The following can be helpful:

- Timely and quick response to service failure
 - Enthusiasm in attending to customer inquiries and complaints
 - Assuming responsibility for any service failure and trying to proffer quick solution
 - Giving apologies as quickly as possible.
8. Many loyal customers are willing to recommend the services of the firm to others through positive word-of-mouth, and are also ready to contribute their suggestions in rebuilding the company for better service provision. It is a noble practice and a very competitive strategy to reward such customers periodically through some sorts of incentives. This will keep them more excited and loyal to the firm.
 9. We recommend the adoption of our proposed model of service quality-customer loyalty relationship by scholars and practitioners in the industry. This will help to gauge corporate performance using the service quality-customer loyalty interface. The model is shown as contribution to knowledge.

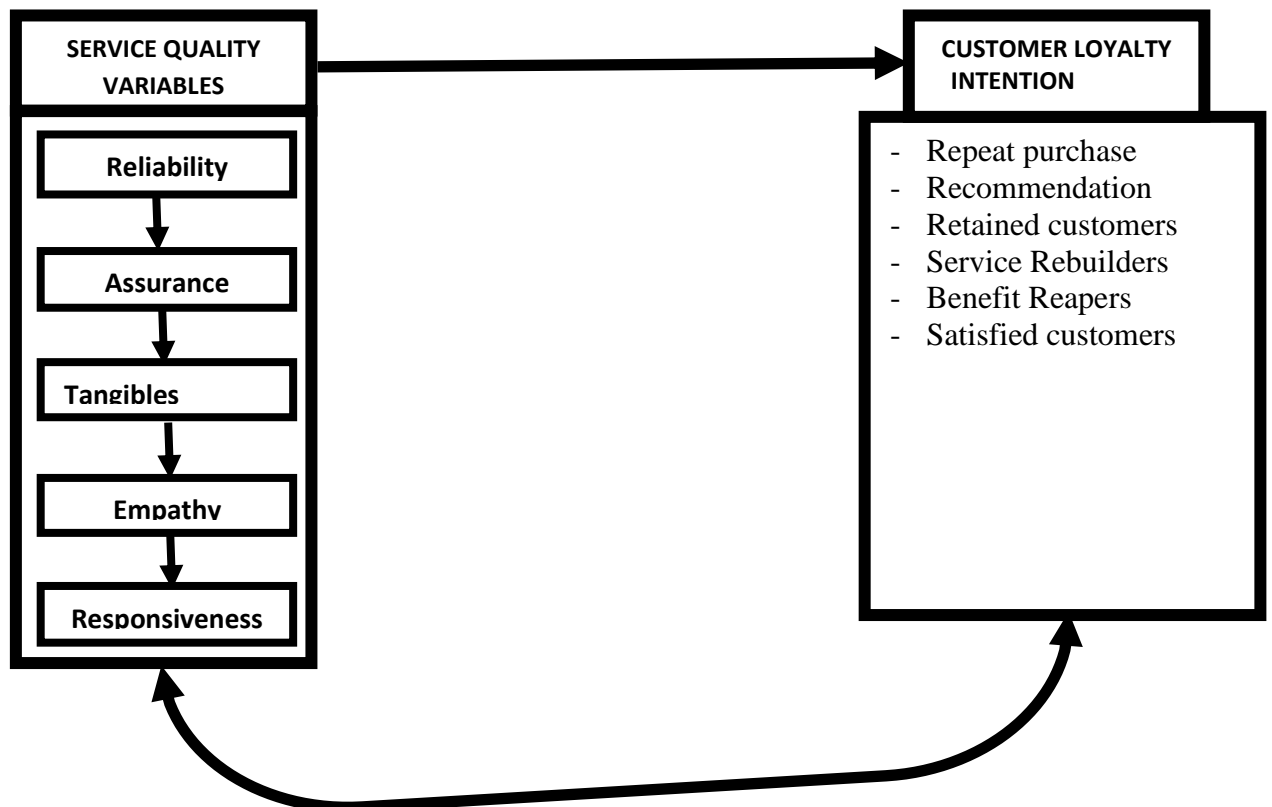
5.4 Contribution to Knowledge

This study is believed to have contributed to marketing theory and practice in the following ways:

1. As noted in our chapter two, very little studies have been published in recent times using the RATER model of service quality perception in

the road transport industry. In Nigeria, the few studies on service quality concentrated on the GSM, banking, hotel and educational industries. None was found to be on the road transport sector. Existing studies on the road transport sector service quality; Agu and Ogbuji (2008), Isibor and Odia (2014), Ogwo and Agu (2016) among others, did not use any known model. This study has therefore, closed this gap by providing empirical evidence to the service quality and customer loyalty intention interface in the Nigerian road transport industry.

2. Again, unlike previous studies on service quality and customer loyalty that measured customer loyalty with other variables, this study attempted to explore and extend the relevance and applicability of the 5Rs model as proposed by Agu and Okpara (2015), which no previous study on service quality adopted.
3. The study, quite unlike previous studies on customer loyalty, adopted two models of customer loyalty, the 5Rs and the Rockbridge's two-factor (satisfaction and mobility) models. This makes for extended variables in our questionnaire structure.
4. As part of our contribution to knowledge, we hereby propose this service quality-customer loyalty framework for future researchers and managers:



Source: Researcher's Proposition, (2019).

The framework shows that service quality variables will influence customer perception and hence loyalty to the firm. The rater, 5Rs and Rockbridge's models were fused together to formulate this framework based on the findings of this study. The managers of these firms need to pay attention to service quality in order to ensure customer loyalty.

5.5 Suggestions for Further Studies

Further studies should be conducted in other zones of the country where road transport business thrives, such as the South West. Again, there is the need for a comparative study on the service quality provision or status of the selected organized transport firms. A study of this nature will be good for the air transport operators in Nigeria.

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APPENDIX 1

LETTER OF INTRODUCTION

Department of Marketing,
Faculty of Management Sciences,
NnamdiAzikiwe University,
Awka.

Dear Respondent,

REQUEST FOR COMPLETION OF QUESTIONNAIRE

I am undertaking a programme course, Doctor of Philosophy (Ph.D) in Marketing, in the Department of Marketing, Faculty of Management Sciences, NnamdiAzikiwe University, Awka.

I am researching on **Service quality Perception and Customer Loyalty Intention to Road Transport Firms in South East Nigeria**. The questionnaire is carefully prepared and presented to you for your response.

Your response will be treated with utmost confidentiality and be used strictly for this research work.

Yours Faithfully,

Madumere, Humphrey Ikenna

08035661031

APPENDIX 2

RESEARCH QUESTIONNAIRE

Please kindly tick (√) to the right options and be free to give more explanations where necessary.

1. **Gender:** (a) Male (b) Female
2. **Marital Status:** (a) Single (b) Married (c) Others
3. **Age Bracket:** (a) 18-25 (b) 26-39 (c) 40-49
(d) 50 years and above
4. **Educational Qualification:** (a) O'Level (b) OND
(c) B.Sc./HND (d) Masters and Above (e) Others
5. How long have you patronized the firm? (a) Below 3 years
(b) 3 – 5 years (c) 6 – 8 years Above 8 years

Section B: Research Variables

5. How do you rate the service quality of your current firm? (a) Very satisfactory (b) Satisfactory (c) Fairly satisfactory
(d) Unsatisfactory (e) Very Unsatisfactory
6. Kindly respond to the following questions based on your firm's service quality. Use: SA = strongly agreed, A = agreed, U = undecided, D = disagreed and SD = strongly disagreed.

S/N	Factors	SA	A	U	D	SD
1	The firm provides promised services consistently.					
2	Service provided is usually accurate.					
3	Service paid for is usually delivered timely.					
4	The service I receive was performed rightly the first time.					
5	Staff knowledge of required services is commendable.					

6	Staff expertise in handling the service inspires confidence in customers.					
7	The credibility of staff in handling modern technology in the sector is commendable.					
8	Facilities (vehicles and others) are attractive.					
9	Staff appearance is neat.					
10	The equipment and other facilities are quite modern.					
11	The office/building (park) is attractive.					
12	As a loyal customer, a good number of the staff recognize and address me by my name					
13	The staff of the firm is usually courteous and friendly.					
14	The staff is quite polite and respectful in dealing with customers.					
15	When there is a problem, the company responds quickly to address it.					
16	Staff is ready and willing to attend to customer inquiries and complaints.					
17	The firm usually works within specific time to tackle service failure satisfaction.					
18	The staff members do not disappear or stay away when customers face service failure.					
19	If the service quality I receive in this company is up to my expectation, I will re-patronize the company.					
20	If the firm maintains a good service quality, I will recommend it to other customers.					
21	I will remain a loyal customer of the company if the service quality I receive remains high.					
22	I am ready to contribute in rebuilding the company through suggestions to ensure that high service quality is maintained.					
23	In future, I expect to be rewarded in some sorts, as a long time loyal customer.					

Thank You.

APPENDIX 3
RAW SPSS OUTPUT

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Regression

Notes

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Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.

Syntax	<pre> REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT CL /METHOD=ENTER SQR /SCATTERPLOT=(C L,*ZPRED) /RESIDUALS DURBIN HISTOGRAM(ZRESI D). </pre>	
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Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Service Quality Reliability ^b		Enter

a. Dependent Variable: Customer Loyalty Intention

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.917 ^a	.841	.840	.34836	1.825

a. Predictors: (Constant), Service Quality Reliability

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	202.130	1	202.130	166.56	.000 ^b
Residual	38.348	316	.121		
Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Quality Reliability

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
1 (Constant)	.896	.088		10.164	.000
Service Quality Reliability	.830	.020	.917	40.812	.000

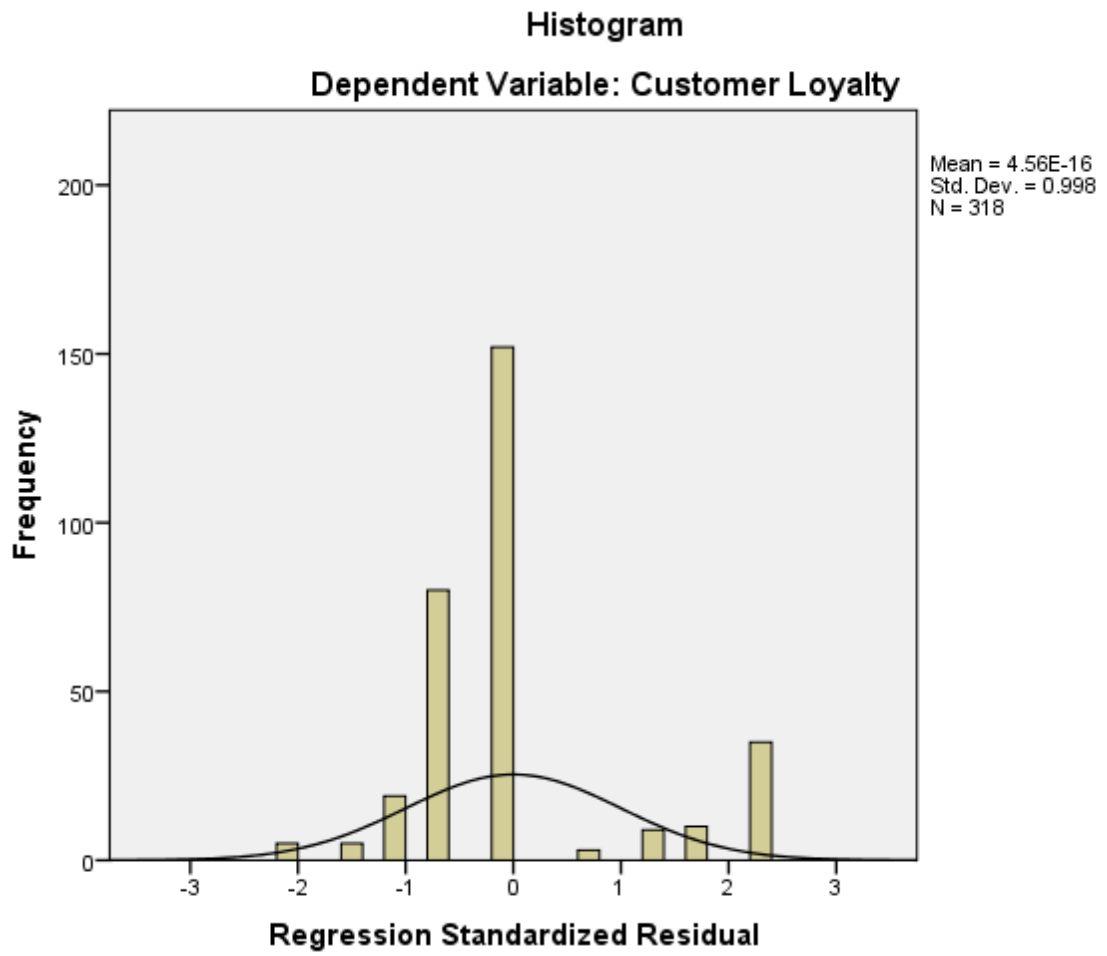
a. Dependent Variable: Customer Loyalty Intention

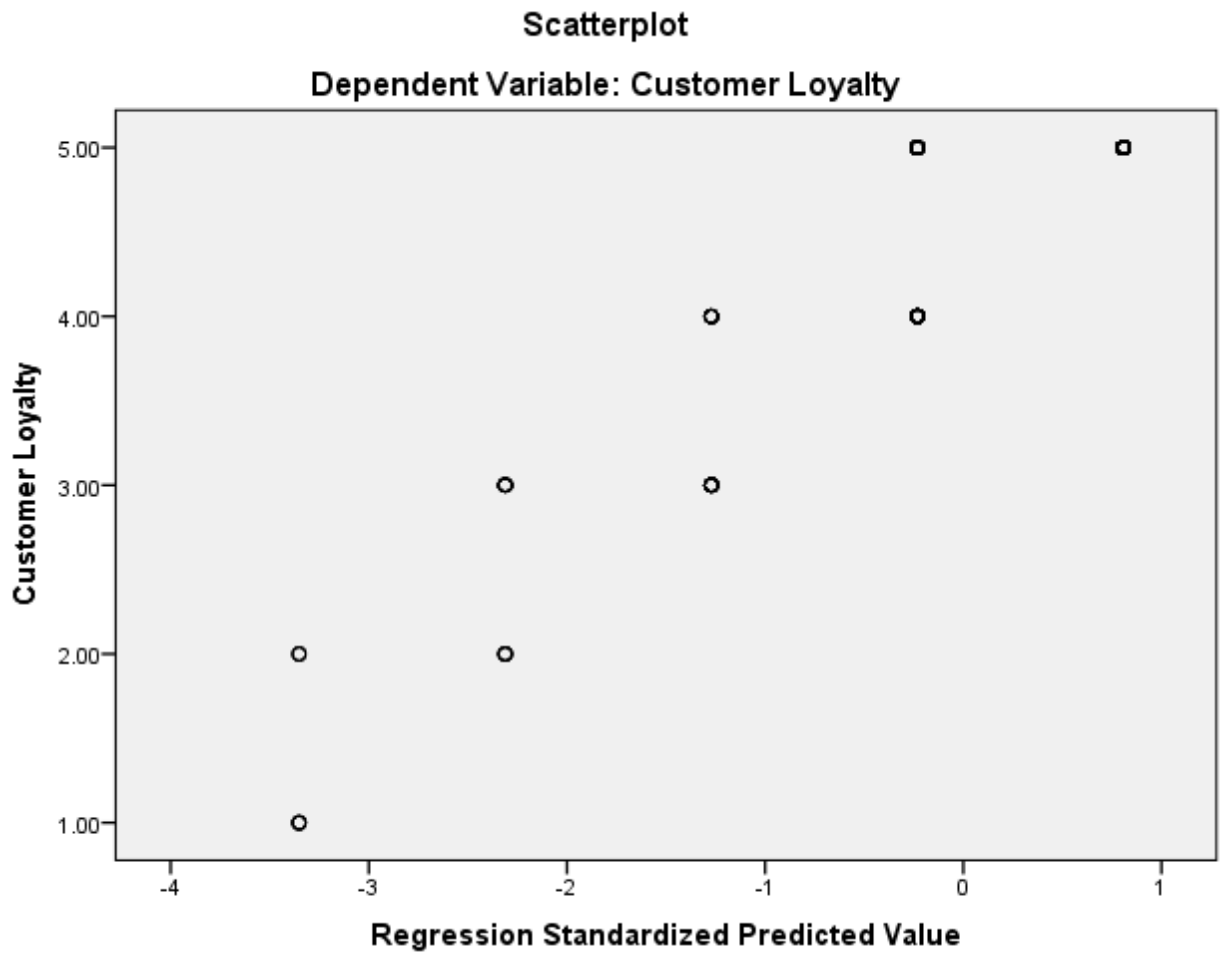
Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.7260	5.0475	4.4025	.79852	318
Residual	-.72601	.78288	.00000	.34781	318
Std. Predicted Value	-3.352	.808	.000	1.000	318
Std. Residual	-2.084	2.247	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts





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REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
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/NOORIGIN
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Regression

Notes

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Comments		
	Data	C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav
Input	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	318
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.
Syntax		REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT CL /METHOD=ENTER SQA /SCATTERPLOT=(CL,*ZPRED) /RESIDUALS DURBIN HISTOGRAM(ZRESID).
Resources	Processor Time	00:00:01.11

Elapsed Time	00:00:01.14
Memory Required	1436 bytes
Additional Memory Required for Residual Plots	584 bytes

[DataSet1] C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav

Variables Entered/Removed^a

Mode	Variables Entered	Variables Removed	Method
1	Service Quality Assurance ^b		. Enter

- a. Dependent Variable: Customer Loyalty Intention
b. All requested variables entered.

Model Summary^b

Mode	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.912 ^a	.832	.831	.35754	1.823

- a. Predictors: (Constant), Service Quality Assurance
b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	200.081	1	200.081	156.51	.000 ^b
	Residual	40.397	316	.128		
	Total	240.478	317			

- a. Dependent Variable: Customer Loyalty Intention
b. Predictors: (Constant), Service Quality Assurance

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.214	.083		14.618	.000
Service Quality Assurance	.767	.019	.912	39.562	.000

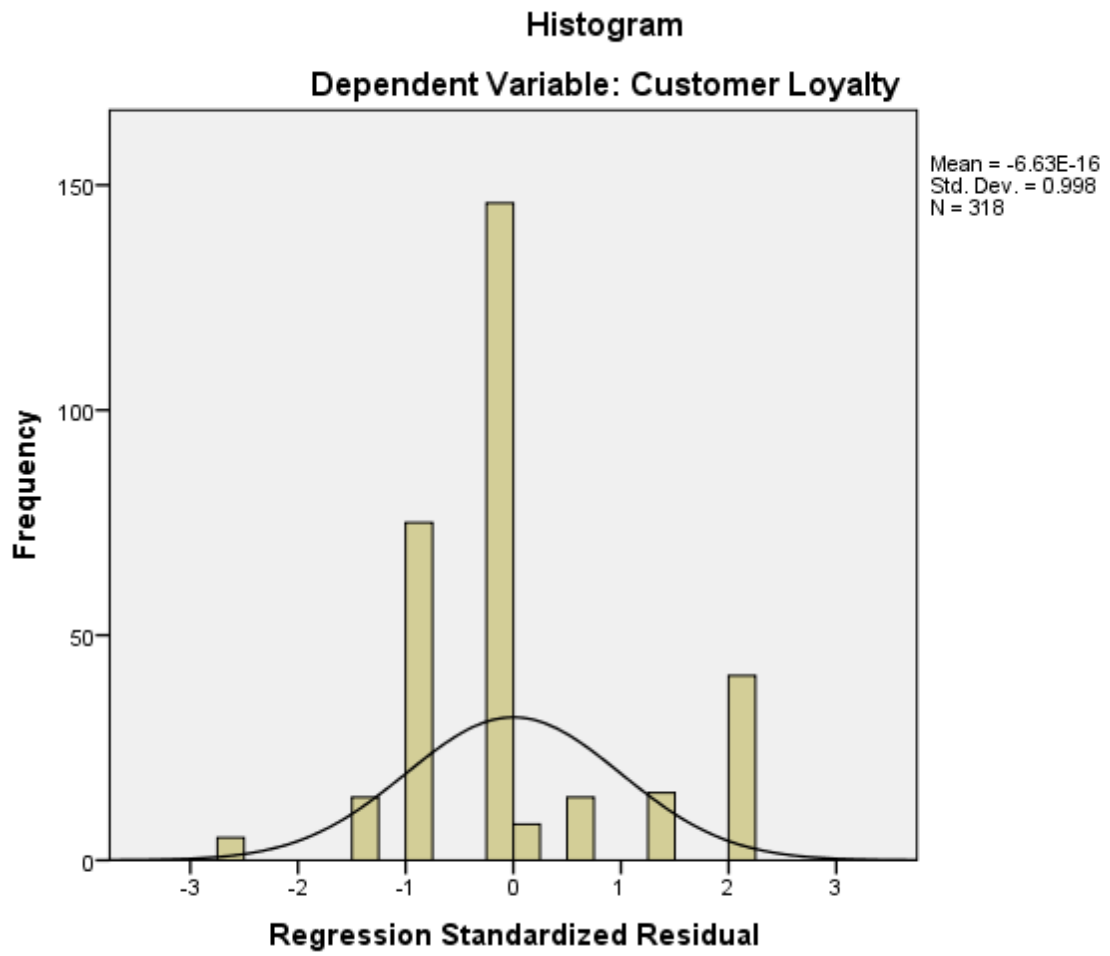
a. Dependent Variable: Customer Loyalty Intention

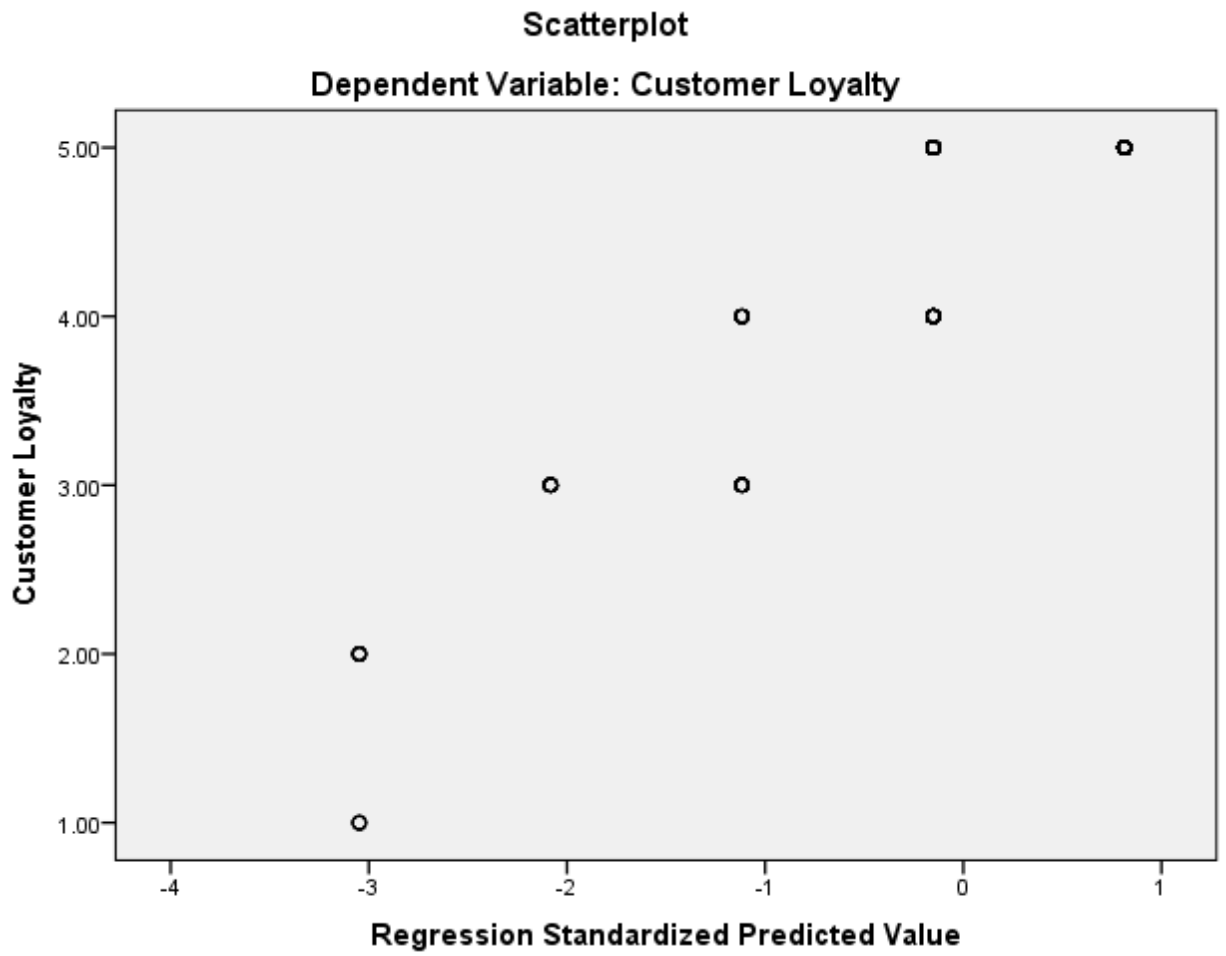
Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.9810	5.0489	4.4025	.79446	318
Residual	-.98103	.71808	.00000	.35698	318
Std. Predicted Value	-3.048	.814	.000	1.000	318
Std. Residual	-2.744	2.008	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts





```

REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT CL
/METHOD=ENTER SQT
/SCATTERPLOT=(CL ,*ZPRED)
/RESIDUALS DURBIN HISTOGRAM(ZRESID).

```

Regression

Notes

Output Created		19-JUL-2018 20:30:11
Comments		
Input	Data	C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	318
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.

Syntax	<pre> REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT CL /METHOD=ENTER SQT /SCATTERPLOT=(C L,*ZPRED) /RESIDUALS DURBIN HISTOGRAM(ZRESI D). </pre>	
	Resources	<pre> Processor Time 00:00:01.06 Elapsed Time 00:00:01.17 Memory Required 1436 bytes Additional Memory Required for Residual Plots 584 bytes </pre>

[DataSet1] C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav

Variables Entered/Removed^a

Mode	Variables Entered	Variables Removed	Method
1	Service Quality Tangibles ^b		. Enter

a. Dependent Variable: Customer Loyalty Intention

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.878 ^a	.771	.770	.41773	1.828

a. Predictors: (Constant), Service Quality Tangibles

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	185.338	1	185.338	106.23	.000 ^b
	Residual	55.140	316	.174		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Quality Tangibles

Coefficients^a

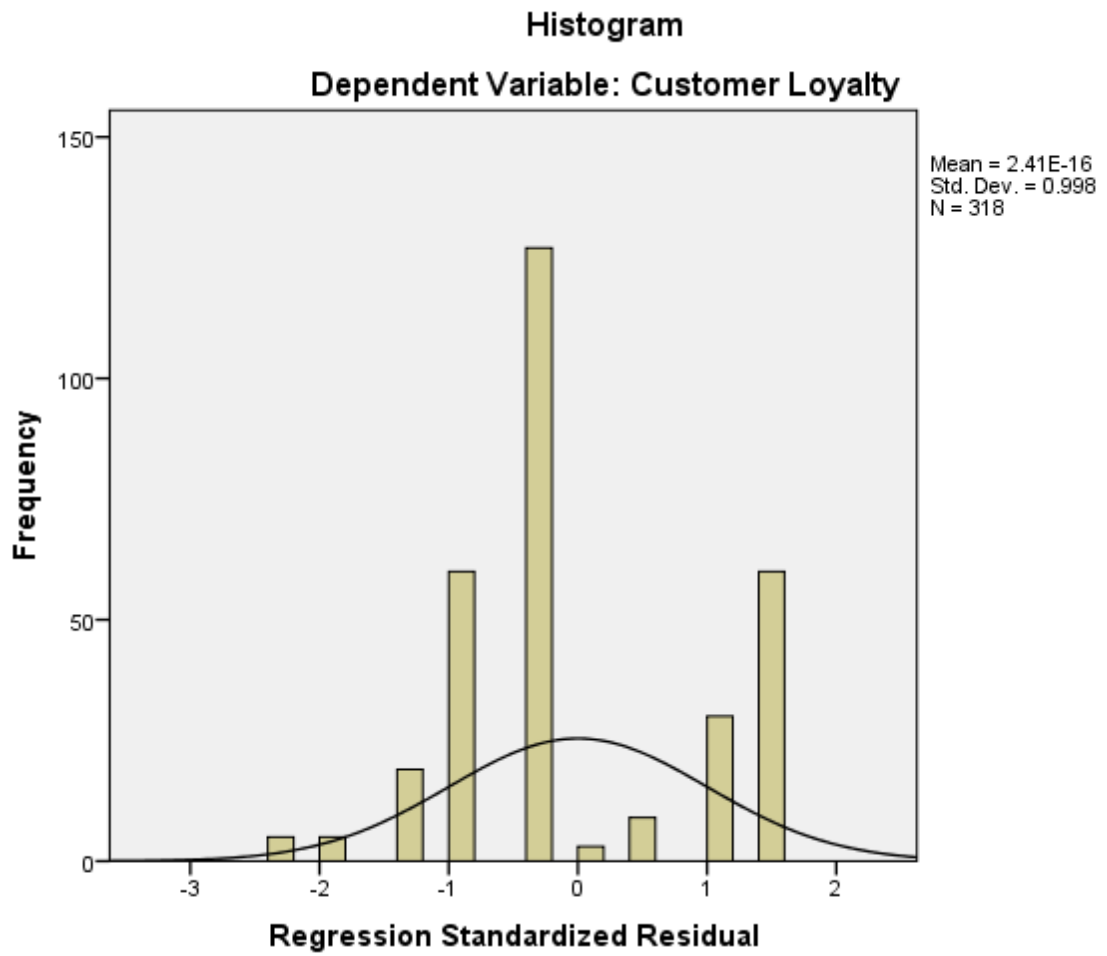
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.204	.101		11.936	.000
	Service Quality Tangibles	.784	.024	.878	32.590	.000

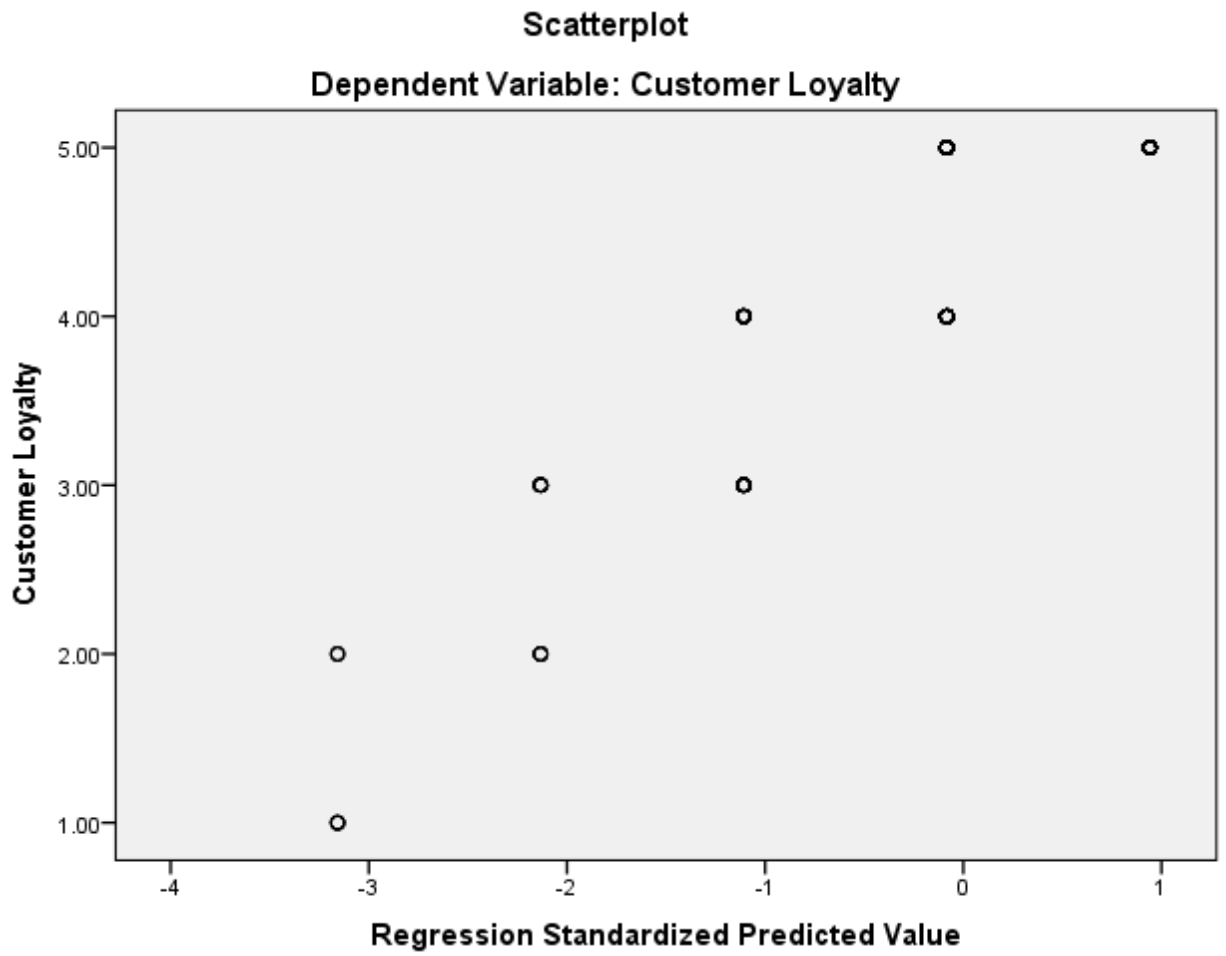
a. Dependent Variable: Customer Loyalty Intention

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.9878	5.1220	4.4025	.76463	318
Residual	-.98779	.66155	.00000	.41707	318
Std. Predicted Value	-3.158	.941	.000	1.000	318
Std. Residual	-2.365	1.584	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention
Charts





```

REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT CL
/METHOD=ENTER SPE
/SCATTERPLOT=(CL ,*ZPRED)
/RESIDUALS DURBIN HISTOGRAM(ZRESID).

```

Regression

Notes

Output Created		19-JUL-2018 20:30:48
Comments		
Input	Data	C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav
	Active Dataset	DataSet1
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	318
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.

Syntax	<pre> REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT CL /METHOD=ENTER SPE /SCATTERPLOT=(C L,*ZPRED) /RESIDUALS DURBIN HISTOGRAM(ZRESI D). </pre>	
	Resources	<pre> Processor Time 00:00:00.95 Elapsed Time 00:00:00.95 Memory Required 1436 bytes Additional Memory Required for Residual Plots 584 bytes </pre>

[DataSet1] C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav

Variables Entered/Removed^a

Mode	Variables Entered	Variables Removed	Method
1	Service Provider's Empathy ^b		. Enter

a. Dependent Variable: Customer Loyalty Intention

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.888 ^a	.788	.788	.40125	1.822

a. Predictors: (Constant), Service Provider's Empathy

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	189.602	1	189.602	117.76	.000 ^b
	Residual	50.876	316	.161		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Provider's Empathy

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.572	.086		18.380	.000
	Service Provider's Empathy	.712	.021	.888	34.317	.000

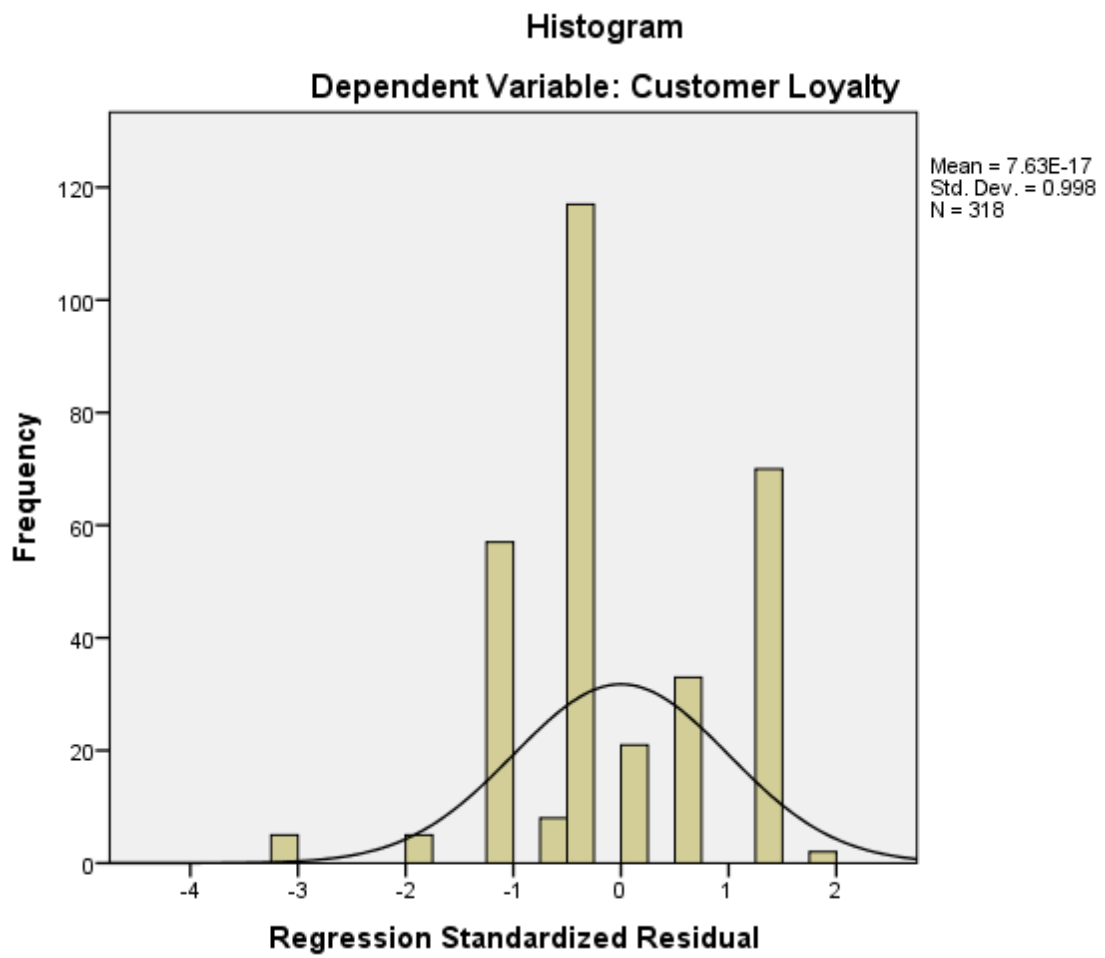
a. Dependent Variable: Customer Loyalty Intention

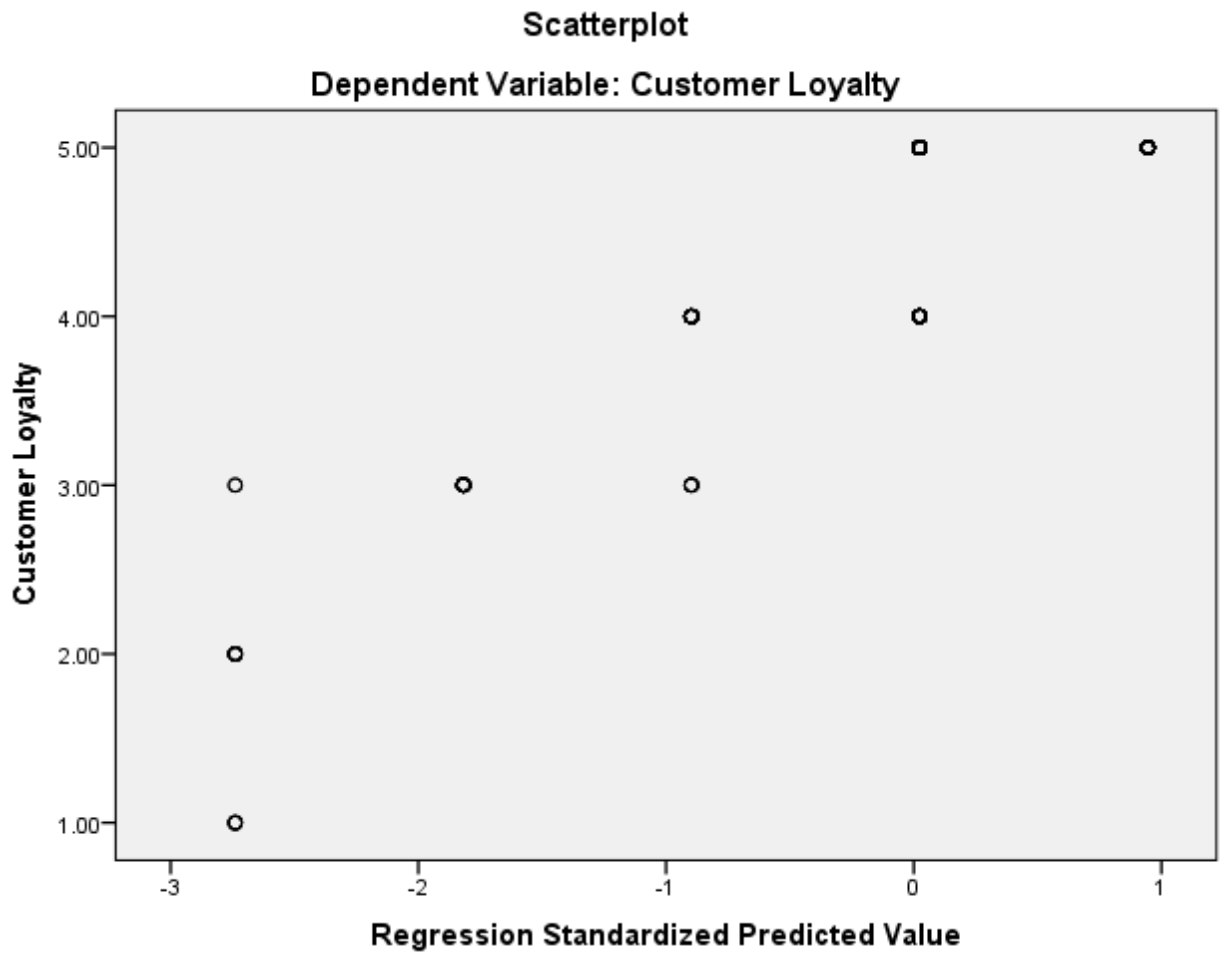
Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.2838	5.1326	4.4025	.77338	318
Residual	-1.28383	.71617	.00000	.40061	318
Std. Predicted Value	-2.740	.944	.000	1.000	318
Std. Residual	-3.200	1.785	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts





```

REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT CL
/METHOD=ENTER SPR
/SCATTERPLOT=(CL ,*ZPRED)
/RESIDUALS DURBIN HISTOGRAM(ZRESID).

```

Regression

Notes

Output Created		19-JUL-2018 20:31:08
Comments		
	Data	C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav
	Active Dataset	DataSet1
Input	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	318
	Definition of Missing	User-defined missing values are treated as missing.
Missing Value Handling	Cases Used	Statistics are based on cases with no missing values for any variable used.

Syntax		<pre> REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT CL /METHOD=ENTER SPR /SCATTERPLOT=(C L,*ZPRED) /RESIDUALS DURBIN HISTOGRAM(ZRESI D). </pre>
Resources	Processor Time Elapsed Time Memory Required Additional Memory Required for Residual Plots	00:00:00.95 00:00:00.99 1436 bytes 584 bytes

[DataSet1] C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Service Provider's Responsiveness ^b		Enter

a. Dependent Variable: Customer Loyalty Intention

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.883 ^a	.780	.779	.40919	1.825

a. Predictors: (Constant), Service Provider's Responsiveness

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	187.568	1	187.568	112.35	.000 ^b
	Residual	52.910	316	.167		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Provider's Responsiveness

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.057	.103		10.308	.000
	Service Provider's Responsiveness	.810	.024	.883	33.470	.000

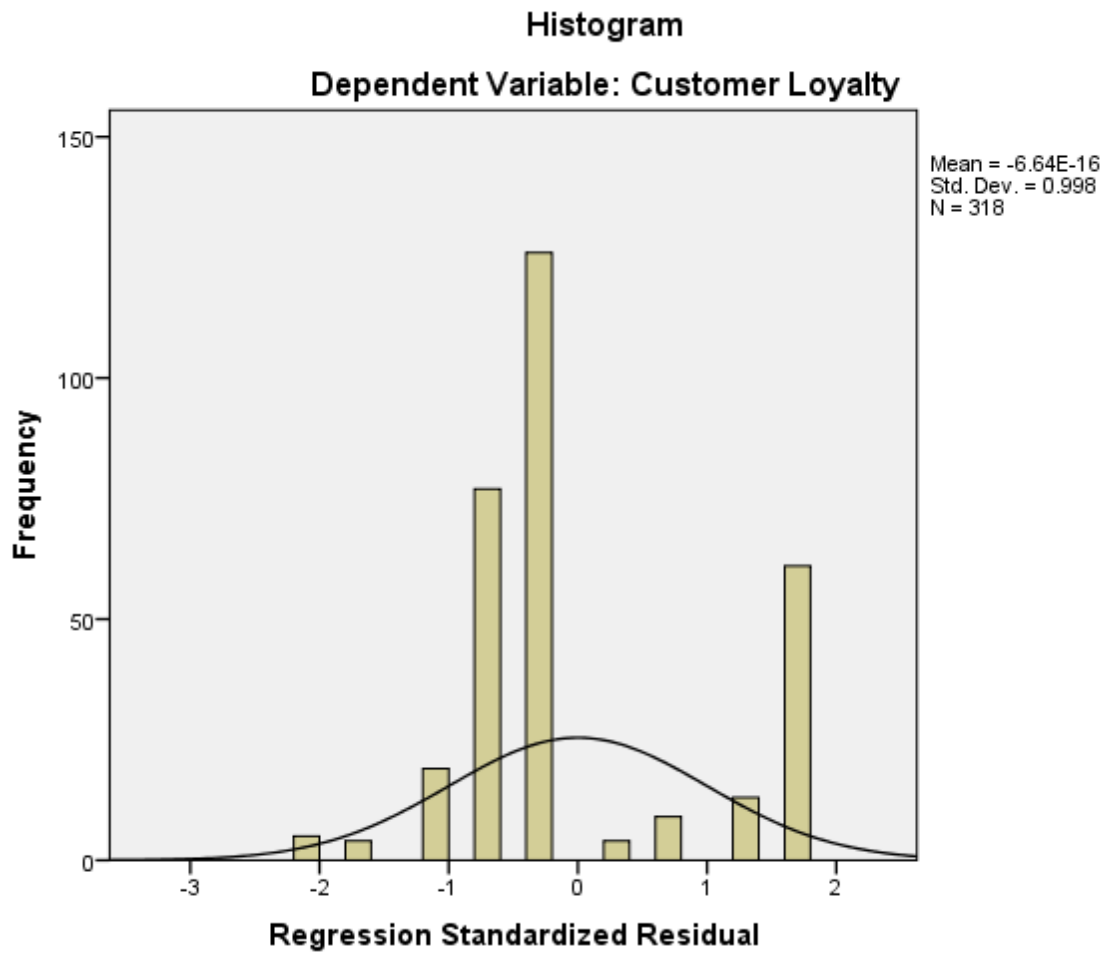
a. Dependent Variable: Customer Loyalty Intention

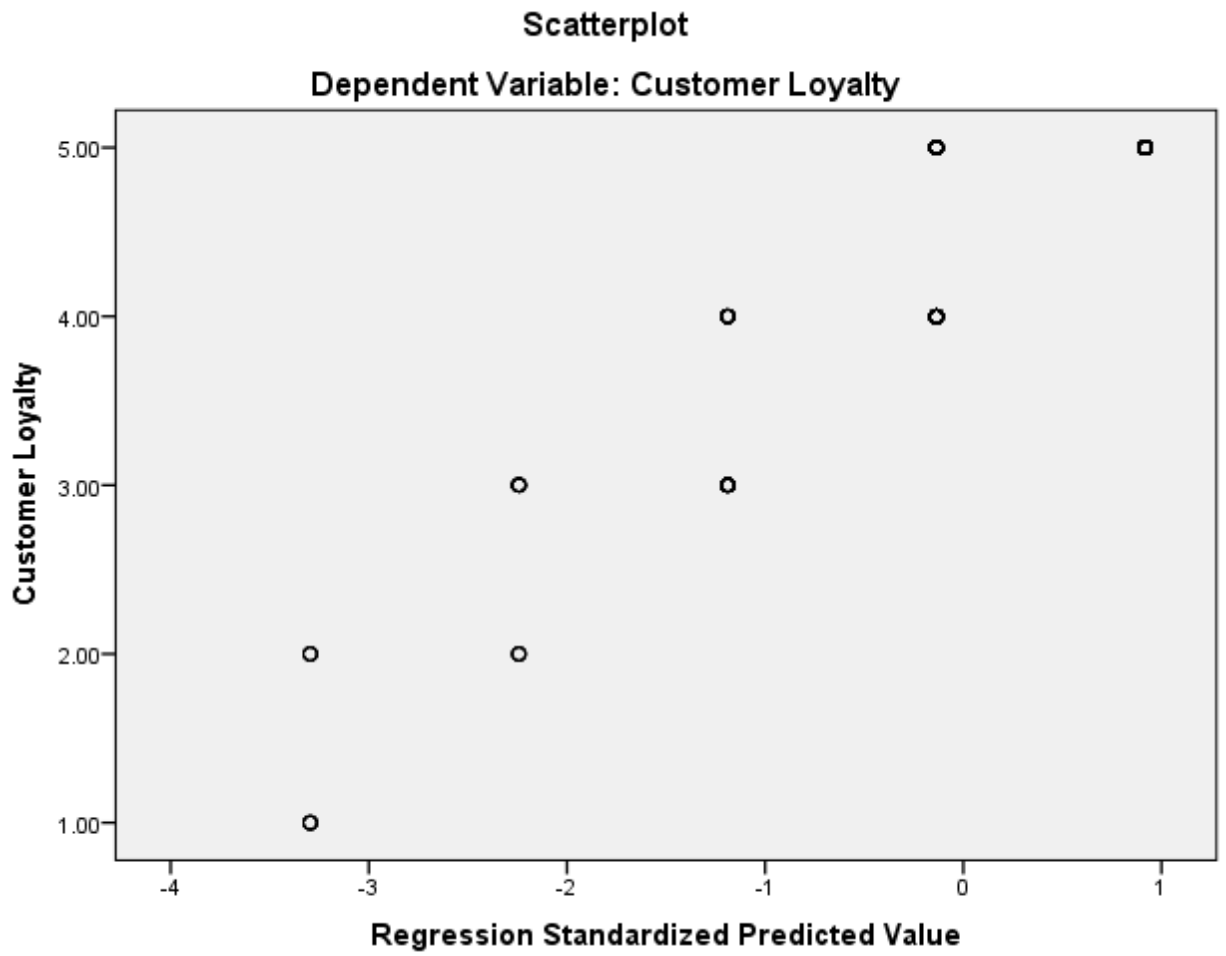
Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8673	5.1083	4.4025	.76922	318
Residual	-.86733	.70195	.00000	.40854	318
Std. Predicted Value	-3.296	.918	.000	1.000	318
Std. Residual	-2.120	1.715	.000	.998	318

a. Dependent Variable: Customer Loyalty Intention

Charts





```

REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT CL
/METHOD=ENTER SQR SQA SQT SPE SPR
/SCATTERPLOT=(CL ,*ZPRED)
/RESIDUALS DURBIN HISTOGRAM(ZRESID).

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Regression

Notes

Output Created		19-JUL-2018 20:34:22
Comments		
	Data	C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav
	Active Dataset	DataSet1
Input	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	318
	Definition of Missing	User-defined missing values are treated as missing.
Missing Value Handling		Statistics are based on cases with no missing values for any variable used.
	Cases Used	

Syntax		REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT CL /METHOD=ENTER SQR SQA SQT SPE SPR /SCATTERPLOT=(C L ,*ZPRED) /RESIDUALS DURBIN HISTOGRAM(ZRESI D).
Resources	Processor Time Elapsed Time Memory Required Additional Memory Required for Residual Plots	00:00:00.95 00:00:00.91 2684 bytes 552 bytes

[DataSet1] C:\Users\GODSWILL\Documents\Humphery Analysis 2018.sav

Variables Entered/Removed^a

Mode	Variables Entered	Variables Removed	Method
1			

1	Service Provider's Responsiveness, Service Provider's Empathy, Service Quality Reliability, Service Quality Assurance, Service Quality Tangibles ^b		. Enter
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a. Dependent Variable: Customer Loyalty Intention

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.927 ^a	.859	.857	.32945	.152

a. Predictors: (Constant), Service Provider's Responsiveness, Service Provider's Empathy, Service Quality Reliability, Service Quality Assurance, Service Quality Tangibles

b. Dependent Variable: Customer Loyalty Intention

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	206.613	5	41.323	380.713	.000 ^b
	Residual	33.865	312	.109		
	Total	240.478	317			

a. Dependent Variable: Customer Loyalty Intention

b. Predictors: (Constant), Service Provider's Responsiveness, Service Provider's Empathy, Service Quality Reliability, Service Quality Assurance, Service Quality Tangibles

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
1 (Constant)	1.095	.091		12.014	.000
Service Quality Reliability	.546	.089	.602	6.152	.000
Service Quality Assurance	.199	.087	.236	2.282	.023
Service Quality Tangibles	-.046	.093	-.052	-.497	.620
Service Provider's Empathy	.285	.067	.356	4.290	.000
Service Provider's Responsiveness	-.186	.097	-.203	-1.920	.056

a. Dependent Variable: Customer Loyalty Intention

Residuals Statistics^a

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.8922	5.0818	4.4025	.80733	318
Residual	-.89220	.71562	.00000	.32685	318
Std. Predicted Value	-3.109	.841	.000	1.000	318
Std. Residual	-2.708	2.172	.000	.992	318

a. Dependent Variable: Customer Loyalty Intention

Charts



