## UNIVERSITI TEKNOLOGI MARA

The Impact of Values on Service Quality towards
Customer Satisfaction

A Case Study on MAF Hospitality Services

Roswadi Bin Ismail

Dissertation submitted in partial fulfillment of the requirements for the degree of

Master in Hospitality Management
Faculty Hotel & Tourism

November 2010

Candidate's Declaration

I declare that the work in this thesis was carried out in accordance with the regulations

of University Technology MARA. It is original and is the results of my own work,

unless otherwise indicated or acknowledged as referenced work. This thesis has not

been submitted to any others academic institution or non-academic institution for any

other degree or qualification.

In the event that my thesis be found to violate the conditions mentioned above, I

voluntary waive the right of conferment of my degree and agree to be subjected to

disciplinary rules and regulations of University Technology MARA.

Name of Candidate ; Ro

Roswadi bin Ismail

Candidate's ID No. :

2009413396

Programme

Master in Hospitality Management (HM 770)

Faculty

Hotel and Tourism Management

Thesis Title

The impact of values on service quality towards

customer satisfaction. A case study on Malaysian Armed Forces Hospitality services

.....

SIGNATURE OF CANDIDATE

.....

DATE

ii

## Abstract

This study attempts to measure relationship between service quality and value towards customers' satisfaction on hospitality service in Malaysian Armed Forces using a modified version of the LODGSERV and SERVQUAL instrument (Parasuraman, Zeithaml and Berry, 1988). All five dimensions of service quality, being tangibles, reliability, responsiveness, assurance, and empathy, will be used. The questionnaire survey will be conducted on a two-week period during check-out time at banquet hall and dinnertime at dining hall Wisma Transit Kuala Lumpur. All customers who check-out before departure to Sabah & Sarawak will assemble at banquet hall. The Cronboch Coefficient Alpha will be used to test the construct reliability. Analysis of variance (ANOVA) will be used to determine the relationship between service quality and value towards customers' perceived service quality for five dimensions on hospitality service at Wisma Transit and different groups of loyalty. In addition, correlation analysis will be used to determine the relationship between customers' perceived service quality and customers' characteristics such as gender, marital status, age, and reasons for staying. The results of this study will asssist Wisma Transit management to assess the service quality provided to its patrons. Results of this study will also help Wisma Transit management establish a total quality management (TQM) program to improve overall service quality to its patrons.

**Keywords:** Service, SERVQUAL; Value, Customer satisfaction, Wisma Transit, MAF Customer's,

## **Table of Contents**

Topic		Page
TITLE PAGE		i
AUTHOR'S DECLARATION		ii
ABSTRACT.		iii
ACKNOWLEDGEMENTS		iv
TABLE OF CONTENTS		vi
LIST OF TABLES		viii
LIST OF FIGURES		ix
LIST OF DIAGRAM		ix
CHAPTER 1		1
INTRODUCTION		1
1.1	Background of the Study	1
1.2	The problem statement	4
1.3	Research Objective	6
1.4	Research Questions	6
1.5	Conceptual Framework	6
1.6	Significance of the Study	7
CHAPTER 2		9
LITERATURE REVIEW		9
2.1 Overview		9
2.2 Introduction		9
2.3	MAF Hospitality Service	12
2.4	Service Quality	19
2.5	Service Value	23
2.6	Customer satisfaction	25
2.7	Relationship SERVQUAL with Customer Satisfaction	27
2.8	Relationship SERVICE VALUE with Customer Satisfaction	27
2.9	Relationship SERVQUAL with SERVICE VALUE	28
CHAPTER 3		30
METHODOLOGY		30
3.1	Overview	30

3.2	Research Approach, Contextual Setting and Sampling	30	
3.3	Instrument Development	32	
3.4	Data Collection Process	37	
3.5	Assessment of Internal Reliability	37	
CHAPTER 4		39	
RESULTS & ANALYSES		39	
4,1	Overview	39	
4.2	Personal Details of the Respondents	39	
4.3	Analysis of level acceptance on general service elements	42	
4.4	Analysis of Value and Customer Satisfaction	47	
4.5	Analysis of the Open-ended Questions	48	
4.6	Predictors of Overall Service Quality	53	
CHAPTER 5		59	
SUMMA	RY, LIMITATION, IMPLICATION RECOMMENDATION AND		
CONCLUSIONS		59	
5.1	Overview	59	
5.2	Summary of the Findings	59	
5.3	Limitation of the Study	59	
5.4	Implication, Recommendation and Conclusion	61	
REFERENCES		64	
APPEND	ICES		
AP	PENDIX A – Formal Letter to MAF Hospitality		
AP	PENDIX B – Students Confirmation Letter Research Approval		
Letter			
AP	APPENDIX C – Questionnaire		
AP	PENDIX - Results of SPSS		