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TOPIC:

ENHANCING SERVICE QUALITY AND CUSTOMER SATISFACTION:

CASE STUDY OF PUSPAKOM SARAWAK

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ABSTRACT

Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining and measuring it with no overall consensus emerging on either. Customer satisfaction and service quality are often treated together as functions of customer's perceptions and expectations and research has shown that high service quality contribute significantly to profitability. Service quality is required to be first measured in order to improve the quality in a service organization. Practitioners and academics are eager on measuring service quality accurately in order to have better understanding of its indispensable antecedent and consequences, and eventually ascertain methods for improving and measuring service quality in search for competitive advantage.

The aim of this research study is to examining the relationship between **PUSPAKOM** Sarawak service quality and customer satisfaction. The significance of this research is intended to help **PUSPAKOM** Sarawak to establish the service offered and identified what are the important aspects of training needed by employee in satisfying. This study is also access quality service dimensions that are delivered through perspective of customers. This work was performed at all PUSPAKOM branches throughout Sarawak.

A questionnaire was developed based on the service quality dimensions and asked to the customers for gathering data from which result was analyzed. The questionnaire used is adapted from SERVQUAL, the most common method for measuring service quality.

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CHAPTER 1: INTRODUCTION

Quality and customer satisfaction have long been recognized as playing a crucial role for success and survival in today's competitive market. Service quality determines an organization's success or failure. Quality plays a significant role in determining and influencing customer satisfaction. Over the last few years, companies have gradually focused on service quality and customer satisfaction. This strategy is very profitable for both companies and customers, particularly for PUSPAKOM Sarawak, as a service provider and customers who subscribe the service directly. This research explores the relationship between customer satisfaction and service quality, based on the needs and expectations expressed by the customers. An improvement of the supplied service quality and the customer satisfaction to be increased can attract further customers.

For this research, we will focus service quality provided by branches at PUSPAKOM throughout Sarawak region. PUSPAKOM Sarawak has 6 permanent branches which 4 of the branches are fully equipped with computerized vehicle inspection equipment and 7 mobile units throughout Sarawak region and perform more than 250,000 inspections with more than 100,000 customers annually. The computerized system is secured and real-time data transfer to Road Transport Department. PUSPAKOM Sarawak is also supported by its highly competent personnel in providing excellent services to its customers in the most conducive environment.

Service quality is known as one of the important elements to survive and compete in a global environment. From the perspective of client, there is a desire for better quality services. From the perspective of PUSPAKOM Sarawak as the service provider, there

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter will give an overview of literature and models that are related to the research problem presented in the previous chapter. In this chapter we will introduce the concepts of service quality, customer satisfaction, relation between customer satisfaction and service quality in order to give a clear idea about the research area.

2.2 Service Quality Theory

Service quality is a concept that has aroused considerable interest and debate in the research literature because of the difficulties in both defining it and measuring it with no overall consensus emerging on either. There are a number of different "definitions" as to what is meant by service quality.

Service quality is defined as the result of the comparison that customers make between expectations about a service and perception of the way the service was delivered (Lehtinen and Lehtinen 1982; Grönroos 1984; Parasuraman,,Zeithaml & Berry 1985).

One that is commonly used defines service quality as the extent to which a service meets customers' needs or expectations (Lewis and Mitchell, 1990; Dotchin and Oakland, 1994a; Asubonteng *et al* ., 1996; Wisniewski and Donnelly, 1996). Service quality can thus be defined as the difference between customer expectations of service and perceived service. If expectations are greater than performance, then perceived