CRITICAL FACTORS FOR SERVICE QUALITY IN THE INTERCITY BUS TRANSPORT INDUSTRY

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DECLARATION

I hereby declare that this research dissertation is my own work and that all sources I have used or quoted have been indicated and acknowledged by means of complete references. Also, this study has not been previously submitted in full or partial fulfillment of the requirements for an equivalent or higher qualification at any other educational institution.

Signed .....

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ABSTRACT

South Africa will host the Soccer World Cup in 2010. About 2.7 million local spectators and 400,000 visitors need to be transferred to and from the 10 host cities in 43 days. This is a huge challenge to the intercity bus transport industry, because the current transport system may not meet the demand for one of the world's largest sporting event.

The purpose of this study is to identify the current barriers to good service quality in the intercity bus transport industry. It focuses on the measurement of service quality and communication. In this research, the literature survey defined the service quality "gap" in this industry, identified the role of effective communication in the service delivery system, measured the variables affecting current service delivery using the SERVQUAL instrument, and prioritized the importance of the factors influencing service delivery in this industry.

A questionnaire with 25 questions was designed to collect data. This study used convenience sampling to select 400 passengers as a sample, viz. 348 South Africans and 52 foreigners at the Durban bus station, since Durban is one of the ten host cities of the 2010 FIFA World Cup. The data was analysed using SPSS.

The results of this research pointed to the importance of external communication in the industry. Specific recommendations are made to improve the productivity, reduce vacancy rate and maximize the benefits to this industry in 2010 and beyond.

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CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

In 2010, South Africa will host the Soccer World Cup, which provides a challenge to move a mass of people and an opportunity for improving the quality of service in the public transport sector. According to a survey by the Human Sciences Research Council of South Africa (Road Safety towards 2010 World Cup, 2006), 32 teams will participate, 64 matches will be held, and 2.7 million local spectators and 400 000 visitors will need to be transferred to and from the 10 host cities of South Africa in 43 days. These arrangements will present huge challenges to the intercity bus transport industry.

According to a report of the FIFA organisation (What FIFA had to say about SA, 2004), South Africa has a first-rate road network and there is no problem moving from one town to another. However, South Africa's Transport Minister Jeff Radebe (Robertson, 2006) announced a plan that promised to address the poor state of the road and rail networks in South Africa. More than 3.8 billion rands has been allocated to leverage other funds available to develop the public transport infrastructure for the 2010 Soccer World Cup, including a 700 million-rand bus and taxi upgrading operation. Priority would be given to improving customer service, increasing punctuality and passenger comfort.

Meanwhile, the National Department of Transport (2006) declared that it had set up some new special sectors (e.g. Chief Directorate Transactional Services and Chief Directorate 2010 Soccer World Cup) for offering better service in their strategic plan 2006-2009. They found the current transport system would not meet the demand for the

movement of goods and people effectively through analyzing the internal and external environment and evaluating its role within the service delivery arena. The culture of service provision in the public transport arena needs to be improved.

This chapter will include the following sections: problem statement, purpose statement, research objectives, research questions, rationale for the study, delimitation of the research, review of related research, and design of the research.

1.2 PROBLEM STATEMENT

The intercity transport industry does not appear to have the infrastructure and delivery system to be able to provide a satisfactory level of service delivery for the 2010 World Cup. Furthermore, it is not clear what actions need to be taken to improve this customer service.

1.3 RESEARCH OBJECTIVES

1.3.1 Main objective

The main research objective is to analyse the elements impacting on the service quality of the intercity bus transport industry in South Africa.

1.3.2 Sub-objectives

- To define the service quality "gap" in the intercity bus transport industry in South Africa and identify the factors that can influence this gap;
- To identify the role of effective communication in the service delivery system;
- To measure the quality of the factors affecting the current service delivery in the intercity bus transport in South Africa with the SERVQUAL instrument; and
- To prioritize the importance of the factors influencing service delivery in the intercity bus transport industry in South Africa.

1.4 RESEARCH QUESTIONS

The main question which this research addresses is: what are the current barriers to good service quality within the intercity bus transport industry in South Africa (SA)?

The following secondary questions will assist the answering of the main research question:

1. What are the current environmental conditions for the intercity bus transport industry relating to service delivery?
2. What is the function of communication in improving service delivery in the intercity bus transport industry?
3. What is required for improving the service quality of the intercity bus transport industry?
4. How can the results obtained from the resolution of sub-questions above improve the quality of service for the SA intercity bus transport industry in 2010 and beyond?

1.5 RATIONALE FOR THE STUDY

This research will analyse the current service status of intercity bus transport in South Africa. It will identify the critical elements impacting on the efficiency of service delivery in the industry. The result of this research will point out the direction for investment of funds in the industry and, thus, for improving the intercity bus transport infrastructure. At the same time, it will enhance the productivity of these organisations, reduce their vacancy rate, and maximize the benefits for them in 2010 and beyond.

1.6 DELIMITATION OF THE RESEARCH

The empirical component of this study will be limited to the intercity bus transport industry in South Africa. The theoretical component of the study focuses on service quality measure, communication barriers and challenges in the organisational service delivery system.

1.7 REVIEW OF RELATED RESEARCH

Though there are more than fifty national and international awards and standards for quality, most of them are for product quality, not service quality. Quality is an increasingly important element that distinguishes among the numerous services. Quality service can help organisations to avoid price competition, earn their customers' loyalty, and increase productivity (Lovelock and Wright, 2002: 264).

Consumers demand quality in everything they purchase – in both goods and services. It is vital, however, to deliver a satisfactory service for customers the first time, because an unsatisfactory service cannot be recovered (Bruhn and Georgi, 2006: 14).

Service quality is often defined as the satisfaction of expectations. Grönroos (2001: 151) states that customer satisfaction and happiness are more strongly affected by their expectations. The term 'expectations', as used by behavioural researchers, is not as precise as the usage by mathematicians, which is "what is likely to happen, on average" (Metters, King-Metters, Pullman, and Walton. 2006: 69).

However, many marketing researchers like to define service quality from an individual consumer's perspective, also known as user-based (Fitzsimmons and Fitzsimmons, 2006: 128). The expectations are subjective and based on imagination of the service process and outcome. Service value is the satisfaction of customers' demands. These demands are the changes that customers perceive will increase or decrease their satisfaction (Bruhn and Georgi, 2006: 11-12).

Service quality is a function of the expectations-performance gap and was conducted in a broad-based exploratory study in the early 1980s. Today, their results extend into e-SQ or electronic service quality (Zeithaml, Parasuraman and Malhotra, 2001:2). They studied a number of industries to develop and refine SERVQUAL, which is a technique

that can be used for executing a gap analysis of an organisation's service quality performance against customer service quality needs. Their model is also commonly known as the Gaps model.

The SERVQUAL model focuses on the difficulty in ensuring a high quality of service for all customers in all situations. Specifically, it labels gaps where a shortfall between expectation of service level and perception of actual service delivery may occur (Bruhn and Georgi, 2006: 50-51). The ultimate of these four gaps in service quality is Gap 5: the possible difference between the expected and the perceived service from the customer's standpoint.

The key to delivering quality service is to identify and understand what dimensions of quality are important to customers. The scale of Zeithaml, Parasuraman and Malhotra (2002: 4-5) involves expectations-perceptions gap scores along five dimensions: Tangibles, Reliability, Responsiveness, Assurance, and Empathy (see appendix A, applied to a bus company). In these surveys, regardless of the type of service, customers respond to services by answering questions based on a number of key service dimensions. These dimensions fall into 10 key categories: Tangibles, Reliability, Responsiveness, Competence, Courtesy, and Credibility, Feel secure, Access, Communication, and Understanding the customer. Overall SERVQUAL results showed that reliability is the most important factor in service quality and tangibles is the least important.

Since SERVQUAL results can be used to identify which components of a service are good or bad at the company, the instrument can be used to monitor service quality over time, to compare performance with its competitors, or to measure customer satisfaction within a particular service industry generally. An organisation or industry can use the information collected through SERVQUAL to improve its position and meet customers'

expectations continuously. Additionally, the expectations-perceptions results, along with the demographic data, may facilitate effective customer division (Zeithaml and Bitner, 2000: 102).

The service delivery system is a key part of the whole service system. Bebko (2000: 10) indicates that the service delivery system includes not only the tangible elements of the service operating system, i.e. employees and the physical facilities, but also includes exposure to other customers.

Service delivery is concerned with whether the service product is provided to the customer at the right place and time. Lovelock and Wright (2002: 279-283) state that a good service delivery system should be a continuing self-correcting system by comparing and measuring the results of the service quality.

In view of the development of electronic technology, communication on service delivery is changing from higher to lower levels of contact, from personal service to self-service (Lovelock and Wright, 2002: 192-193).

According to MacDonald and Smith (2004: 114-115), good communication skills can increase productivity. Without an effective information delivery system, organisations will lose normal operation. Communication should be a top priority.

Copley (2004: 18-21) states that organisations should analyse all related information in their social and economic environment and use it to guide their activities. Lidén (2003: 346) also indicates that the absence of communication can affect customer perceptions of service quality. The service delivery improvement plan of the Department of Transport in South Africa (National Department of Transport, 2006) stressed that "communication has a key role to play in improving service delivery".

The intercity bus transport industry in South Africa, as a public transport service, is a very important element of South African tourism development. The improvement of the intercity bus transport service quality should lead to an increase in the industry's productivity and customer satisfaction (SA transport gets money injection from big funder, 2006). SERVQUAL, as a measurement tool to analyse service quality, will determine which factors in intercity bus transport industry are influencing the service delivery system. As a 2010 FIFA World Cup host country, South Africa should also be concerned with good communication skills in the whole social and economic environment (National Department of Transport, 2006). Effective communication will be able to affect the service quality of the transport industry, even the image of a country (Friman and Edvardsson, 2003: 22).

1.8 DESIGN OF THE RESEARCH

The research is a formal and descriptive study, which will employ a quantitative method to investigate a specific issue — what factors are influencing the service quality of the current intercity bus transport industry in South Africa?

It will gather the necessary information about the industry through a communication study. A questionnaire with 25 questions will be used to gather data. This kind of survey will be selected in preference to depth interviews in order to reach a wider population. Meanwhile, questionnaires also help to orientate the research to the industry context (Blumberg, Cooper and Schindler, 2004: 127-131).

The study will also be a cross-sectional study under field conditions. All data will be collected from a specific place, the Durban Bus Station. This venue is suitable as customers from other towns and cities enter and leave Durban at this station. Data will be collected from April, 2007 to September, 2007. These collected data will be analysed to identify the critical factors in the service delivery process of the intercity

bus transport industry in South Africa.

1.8.1 Sampling method

Collis and Hussey (2003: 155) conclude that a positivistic study must have the key skill of selecting a suitable sample before the researcher collects information. A sample is made up of some of the members of a population. Many sampling methods can be used to select a sample, such as: random sampling, systematic sampling, convenience sampling and purposive sampling (Collis and Hussey, 2003: 155-159). In this research, convenience sampling will be used. The reason for this selection is that there is no available sampling frame i.e. a list of all members of the population.

1.8.2 Sample size

Based on advice on sample size for a given population size by Sekaran (2003: 294), the sample size should be from 380 to 384 if the given population is over 40 000. Due to the number of passengers for the 2010 FIFA World Cup being very large (approximately 400 000), the sample size of the study will be 400.

Since the population of the study includes foreign and local passengers, a quota sample will be used as shown in the following table, which establishes a detailed distribution of the sample. According to Table 1.1, 350 South Africans and 50 foreigners will be chosen as respondents, based on the proportion of expected spectators (2.7 million local spectators and 400000 foreign spectators). Within each sub-category, the convenience sampling method will be used to select the respondents.

Table 1.1: Quota sample of the study

Location	Total
South African	350
Foreign	50
Total	400

1.8.3 Data collection

Due to Durban being one of the ten host cities of 2010 FIFA World Cup, the research will be focused on intercity bus passengers (e.g. tourists, commuters and local residents) in the Durban Bus Station. This focus is suitable as customers from other towns and cities enter and leave Durban at this station. This study will choose 400 passengers in the Durban Bus Station as a sample from March 16 to September 10, 2007.

1.8.4 Questionnaire

A questionnaire will be used in this research. It will consist of fifty questions from the modified version of SERVQUAL (Zeithaml and Bitner, 2000: 41) instrument, (the same 25 questions will be used to assess expectations and perceptions) and three demographic questions. All items except the three demographic questions will be five-point Likert-type scales that are rated on 1 (completely disagree) to 5 (completely agree) response categories. Fieldworkers will be used to administer the questionnaire. They will be trained to conduct the process.

1.8.5 Data analysis

The responses of each questionnaire will be recorded onto a computer. The data will be analysed and measured by a statistical program SPSS (Statistical Package for the Social Sciences). The appropriate statistical tests will be conducted.

1.8.6 Reliability and validity

A reliability analysis will be employed to test the internal consistency of each factor e.g. Cronbach's coefficient alpha (Struwig and Stead, 2004: 133). A pilot test can refine the questionnaire and assess the questionnaire's face validity (Saunders, Lewis and Thornhill, 2003: 309). A pilot test of the questionnaire has been conducted with ten postgraduate students. In order to ensure the construct validity of the research, confirmatory factor analysis will be used (Struwig and Stead, 2004: 138-143)

1.9 CHAPTER OUTLINE

1.9.1 An overview of service quality and communication

Chapter 2 will firstly identify various concepts relating to service quality. Secondly, the SERVQUAL model focuses on assessing and understanding customers' perceptions and expectations of service quality that will be discussed. Thirdly, this chapter will discuss the service delivery system. Furthermore, the importance of communication will be given in the evaluation of service quality levels. An overview of SA's intercity bus transport industry and the existing service quality level will also be described.

1.9.2 Research methodology

Chapter 3 will explain the research methodology used and, in particular, the data collection method, the questionnaire design, the sampling method and data analysis. An amended SERVQUAL instrument will be used for the passengers to assess the service quality of the intercity bus transport industry.

1.9.3 Finding of the empirical research

Chapter 4 will present the results of the survey. The explanation of the results will start with a discussion of the demographic information using frequencies and percentages. This discussion will be followed by a comparison of bus passengers' expectations and perceptions of the service quality. The gaps between those expectations and perceptions will be presented.

1.9.4 Conclusions and recommendations

This chapter will contain a summary of the previous chapters, and present conclusions and recommendations based on the empirical findings. Recommendations will also be made for future research.

1.10 CONCLUSION

This chapter presented a description of the concepts to be used in the study. Firstly, a statement of the problem and sub-problems together with importance and scope of the study was formulated. Secondly, a review of the related literature was presented. Finally, a description of the methodology of the research and the study plan concluded the chapter. In Chapter Two, the theoretical aspects of service quality and communication will be discussed.

CHAPTER TWO

AN OVERVIEW OF SEVICE QUALITY AND COMMUNICATION

2.1 INTRODUCTION

Chapter 1 described the target and scope of this study and identified the problem statement, the objectives and research methodology for the study. In this chapter, different perspectives of service quality are presented. In order to improve service quality in the intercity bus transport industry, a clear understanding of its nature and what it actually means will be required. It is necessary to understand the consumer expectations and perceptions of service quality, the external and internal factors of the service delivery system, and the role of effective communication in the service process. This chapter also explains the 'Gaps model', which is the basis of the measurement of service quality as an academic framework, and as a precondition for the SERVQUAL model. After discussing service quality, effective communication as a main factor in the service delivery system is discussed.

2.2 THE INTERCITY BUS TRANSPORT INDUSTRY IN SOUTH AFRICA

Transport will play an important role in the 2010 Soccer World Cup. The intercity bus transport industry, as a part of public transport network, will enhance the whole social mobility while a mass of soccer fans crowd into South Africa. At the same time, this industry will solve traffic problems such as the excessive use of private automobiles created in recent years, e.g. air pollution and traffic jams (Ongkittikul and Geerlings, 2006: 285).

2.2.1 The impact of 2010 Soccer World Cup in South Africa

The 2010 World Cup in South Africa offers a huge commercial opportunity and will boost employment and economic benefits – not only to South Africa, but to the Southern African region as a whole. The event has already attracted more marketing

and television attention than this year's recently completed tournament (No financial worries about 2010, 2006).

FIFA identified and approved 10 stadia to host 64 soccer matches in nine core cities of South Africa. It has been estimated that the 2010 World Cup will create some 129 000 jobs and contribute about R21-billion to South Africa's gross domestic product. 350 000 visitors could consume R9.8 billion within one month. The government would earn R7.2 billion in government taxes. At the same time, the 2010 World Cup would open new tourism markets for South Africa. The host cities would extend their image and add their impact around the world. Non-host cities also would get an opportunity to be understood by the world when 32 teams and their fans shuttle among 10 stadia (2010: the money's in the bank, 2006).

2.2.2 Intercity transport

According to Wikipedia (2006), intercity means transportation by rail, bus, truck or airline between cites. There are many transport companies with Intercity as their brand. Intercity originated in the intercity sector of British Rail. In this study, intercity bus transport industry in South Africa means that fast long-distance passenger bus services merely stop at large stations in South Africa.

2.2.3 The public transport network

The most common difficulties for tourists and foreigners in unfamiliar areas are that public transport is still not accessible and safety is still a great concern. However, South Africa is still considered as a country with high crime and inadequate transport infrastructure (No financial worries about 2010, 2006). Moreover, the current transport system does not meet the demand for the movement of goods and people effectively. The infrastructure of service in the public transport network needs to be improved. R3.5-billion has also been appropriated for public transport infrastructure in preparation

for the 2010 Soccer World Cup by the South Africa government (Road Safety towards 2010 World Cup, 2006).

The major policy principles regarding public transport focus on how to deliver effective public service. Some of these principles are:

- To promote the use of public transport over private transport;
- To ensure that public transport services address user needs, including those of commuters, scholars, tourists and the disabled;
- To promote and implement a system of regulated competition for tendered public transport routes; and
- To promote safe and secure, reliable and sustainable public transport (National Department of Transport strategic plan 2006-2009, 2006).

The 2010 Soccer World Cup, as one of the biggest sport events in the world, will demand effective collaboration among all transport modes. The public transport network in South Africa mainly carries passenger by three categories: civil aviation, rail transport and road transport, respectively.

2.2.3.1 Civil aviation

The Airports Company of South Africa (ACSA) is a service-oriented and market-driven commercial enterprise which owns and operates three international airports (Johannesburg International, Cape Town International, and Durban International) and six national airports in Port Elizabeth, East London, George, Kimberly, Upington and Bloemfontein. It is responsible for upgrading standards at the country's airports and improving productivity (South Africa Yearbook, 2005/06: 622).

ACSA currently handles approximately 90% of the country's aviation requirements. More than two million aircraft landings and 10 million departing passengers utilise

these airports every year (Mahlangu, 2006). However, travelling by air is very expensive.

2.2.3.2 Rail transport

Spoornet and the SA Rail Commuter Corporation (SARCC) control South Africa's rail network. Spoornet provides goods, container services as well as long distance passenger services (South Africa Yearbook, 2005/06: 619).

Spoornet has seven transport divisions providing transport services in all transport modes. Shosholoza Meyl and Luxrail are two main train passenger services of these divisions. Shosholoza Meyl provides an affordable long-distance train passenger service between major cities in South and Southern Africa. About four million passengers use this service annually. Luxrail focuses on providing luxury train travels for a growing international tourist market. South Africa's Blue Train, a division of Luxrail, has enjoyed an international reputation as one of the world's paramount travelling experiences (South Africa Yearbook, 2005/06: 621).

Metrorail, as a kind of special urban train, only provides commuter service in seven metropolitan regions. As the metropolitan commuter system, it serves 473 stations with over 2 400 km daily. Metrorail plays a quite important role in South African public transport system. It accounts for 17% of all public transport in South Africa and amounts to transporting approximately 1.5 million people to and from work daily (South Africa Yearbook, 2005/06: 621-622).

The biggest problem with the South African train service is that it is still unsafe outside of normal working hours, although the South Africa's train system has worked hard to create a safer and securer environment for their customers (Getting you from - A2B - in South Africa, 2006).

2.2.3.3 Road transport

South Africa has the longest road network in all African countries. The South African road network comprises some 754,600 km of roads and streets. The existing national road network covers about 9,600 km. Toll roads, which are serviced by 32 mainline toll plazas, cover about 2,400 km. Approximately 80% of all freight circulation in South Africa is conveyed by road, while nearly 7% of the Gross National Product is spent on freight transport (South Africa Yearbook, 2005/06: 611). The road passenger transport, as the other main function of road transport, has three main categories: minibus-taxis, private motor cars and bus transport.

Minibus taxies are utilised by most South Africans as the dominant means of passenger transport. Also, the government of South Africa has formally recognised mini-bus taxis as a separate mode of transport. The minibus taxis industry in South Africa provides 65% of the 2.5 billion annual passenger trips in urban areas, and a high percentage of rural and intercity transport by about 127,000 minibus-taxis (Groenewald, 2003: 3).

The minibus industry that makes differentiation between the taxi and bus industries has shown remarkable growth during the last few years. The minibus taxis industry has controlled approximately 60% of the passenger transport market, as well as resulted in a decrease in the market share of the bus and train as modes of transport (Getting you from - A2B - in South Africa, 2006).

Private motor vehicle is another main means of passenger transport. The number of private motor vehicles continues to grow at a rate of 1.7% per annum. Currently, car ownership in South Africa remains in its infancy. As a whole, there are 108 cars per 1000 of the population in South Africa. Approximately 26% of households own a motor car in South Africa. 82% of households, whose income exceeds R6000 per month, own one or more cars (South Africa Yearbook, 2005/06: 612).

In many countries around the world, public transport is considered a favourable alternative to private vehicles. Buses play an important role in the public transport system (National Department of Transport strategic plan 2006-2009: 2006). Intercity bus transport, as a means of bus passenger transport, is responsible for linking the major centres of South Africa and also serves commuters in the deep rural areas by a network of public and privately owned passenger bus services.

2.2.4 Status of the intercity bus transport industry

The nine host cities of 2010 Soccer World Cup, namely Johannesburg, Pretoria, Cape Town, Durban, Port Elizabeth, Bloemfontein, Rustenburg, Nelspruit and Polokwane are all linked by air and train routes. Also, South Africa has a number of first-rate tour bus companies to carry visitors in comfort. However, the intercity bus transport industry is a weak link in the South Africa's passenger transport system.

The same language or similar cultural background helps to make communication easier and allows better understanding of transport documents, procedures and regulations. However, South Africa is a compositive and multiracial country. South Africa's population is composed of different groups. According to Statistics in Brief (2006: 10), Black Africans represents the majority (79.3 per cent) of the population, followed by Whites (9.3 per cent), then Coloureds (8.8 per cent) and Asians (2.5 per cent). South Africa also has 11 official languages, namely IsiZulu, IsiXhosa, Afrikaans, Sepedi, English, Setswana, Sesotho, Xitsonga, SiSwati, Tshivenda and IsiNdebele (South Africa Yearbook, 2005/06: 3). To simplify the navigation task for tourists, foreigners and drivers in South Africa, as well as to promote global uniformity, readable route maps in any languages and route numbers are utilised to guide them towards their destinations (South Africa Yearbook, 2003/04: 612). As a result, most of foreign visitors with an international drivers licence would like to rent a car, a four-wheel vehicle drive or even a motorcycle to tour South Africa.

Most of local travellers prefer to take more convenient minibus taxis during South Africa's public and school holidays and nearly half of all journeys. The second biggest choice is personal vehicles. Planes, buses, and trains are infrequently used (Herman, 2006). According to Gosling and Sapa (2006), South Africa had some 6.9 million registered vehicles in 2001, including more than 3.98 million motor vehicles. Private transport (cars and mini-bus taxis) was used by 90% of the total adult population in 2005 during a normal seven day week. The use of private cars grew from 39% in 2002 to 43% in 2005, while mini-bus taxi usage increased from 42% in 2002 to 47% in 2005. Almost half the country's adult population makes use of mini-bus taxis as their sole means of transport. Another report (Transport crisis could hinder 6% economic growth, 2006) indicated that 565,018 new vehicles had been sold in 2005. The main reason of the increasing number of vehicles on the road is due to an economically-active black middle class, with disposable income, which is emerging in South Africa. Also, the road infrastructure is not keeping abreast of this trend. The congestion of traffic has become a huge problem in South Africa.

At the same time, the public bus transport industry is facing many problems e.g. low productivity levels, low morale and a high vacancy rate. Bus and train usage is stable but only 10% of the adult population uses these forms of public transport. In 2002, 8.4% of adults used buses and this increased by one percent to 9.4% in 2005, while people travelling on trains decreased to 2.5% in 2005 from 3% in 2002 (Transport crisis could hinder 6% economic growth, 2006).

Intercity bus transportation seems to provide a reliable, safe, comfortable and better integrated transport mode and, hence, become a cost effective alternative to the private car. However, the prices of the ticket some airlines and intercity bus services offered are very similar (Getting you from - A2B - in South Africa, 2006).

South Africa has embarked on addressing these issues for successfully conducting the 2010 Soccer World Cup, so that as little added pressure is applied to infrastructure development as possible. Buses look poised to take on this role (National Department of Transport strategic plan 2006-2009, 2006).

2.3 SERVICE QUALITY

Many academic researchers have studied the area of services in the past thirty years, especially in the Sweden and United States. Services, traditionally, are more difficult to define than physical goods, because various inputs and outputs in the service delivery process are intangible (Akbaba, 2006: 171).

Grönroos (2000: 46-47) states that services are a series of processes that leads to an outcome, which will solve customer problems, during partly simultaneous production and consumption processes. Moreover, the customer often actively participates in the production process.

Zeithaml, Bitner and Grenler (2006: 4) define services as all economic activities that take place in an interaction process for creating customer satisfaction, although this interactive consumption does not always lead to material possession.

2.3.1 The basic characteristics of services

In order to define services clearly, many early investigations focus on finding the differences between services and consumer goods. These differences refer to the "characteristics of services". These characteristics of service also make service different from goods as described below (Woo and Ennew, 2005: 1180).

2.3.1.1 Intangibility

Customers can get permanent ownership of physical and tangible objects (Lovelock and

Wright, 2002: 9). Services are an activity, an experience and not a thing. Services cannot be seen, felt, tasted, or touched as tangible goods, which can be readily displayed and easily transferred to customers (Zeithaml *et al.*, 2006: 22). Organisations always try to make their intangible offer as tangible as possible, while many manufactures try to create an image for their products instead of focusing on the tangible aspects of their products in advertising (Fitzsimmons and Fitzsimmons, 2006: 24). Services are not a particular kind of product.

2.3.1.2 Inseparability

According to Pérez, Abad, Carrillo and Fernández (2007: 136), the service is produced and consumed at the same time in most of the service industries. This kind of personal contact is referred to as "interactive consumption" and "interactive process" in the definition of services. It includes physical environment (e.g. ATM), behaviour of personnel, and the customer's mood and needs. Inseparability of the service itself from the service provider highlights the role of people in the service transaction, and their influence on quality levels. Therefore, it is difficult for the service providers to hide mistakes or quality shortfalls of the service.

2.3.1.3 Perishability

Unlike manufactured goods, services cannot be saved, stored, resold, or returned. The degree of perishability in the quality of service is affected by the degree of intangibility (Bruhn and Georgi, 2006: 14). This characteristic means that the service providers have only one way that they should provide the right service the first time, every time, and the full use of service capacity. Also this provision makes it impossible to have a quality check before the service was send to the customers. Pricing and promotion are two of the marketing tools commonly adapted to tackle this characteristic.

2.3.1.4 Heterogeneity

The productivity and quality of the produced goods can be controlled under fixed conditions (Lovelock and Wright, 2002: 11). However, the customer, as an essential part of this whole service process, actively participates in the process of producing the service. The customer uses objective and subjective criteria to evaluate service quality. The moods and needs of the customer may lead to their different performance in similar situations. This tendency means that standardizing services is quite difficult on many occasions. The chance of heterogeneity in the final output of service delivery processes will still be large. Automation can contribute to reduce the impact of people and environment on service quality (Fitzsimmons and Fitzsimmons, 2006: 25).

2.3.2 Quality in services marketing

Quality is the extent to which the service, the service process and the service organisation can satisfy the expectations of the user. All service organisations recognise the importance of service quality because it affects customer loyalty and satisfaction. Service quality also has been suggested as a means of developing a competitive advantage (Landrum, Prybutok and Zhang, 2007: 104). Lovelock and Wright (2002: 14) define 'quality as the degree to which a service satisfies customers by meeting their needs, wants and expectations'. This definition means that if a firm does not improve quality service to its customers, it will be able to switch its customers to another supplier who can satisfy them and its competitors will take over the market.

To define service quality, the traditional approach pays more attention on service quality perception which is a comparison of consumer expectations with actual performance (DeMoranville and Bienstock, 2003: 217). Today, researchers on service quality widely accept and apply two service theories among the various service quality opinions. One is the Grönroos' Technical and Functional Quality framework. The other is the SERVQUAL model by Parasuraman, Zeithaml and Berry in the 1990s (Woo and Ennew,

2005: 1179).

In the 1990s, Grönroos used a two-dimension model of service quality (technical quality and functional quality) to describe and measure the service quality (Pérez *et al.*, 2007: 137). In this model, technical quality focuses on the outcome of what is the service provided and functional quality takes into account how it is delivered. Subsequently, Grönroos (2001: 81) indicated seven specific dimensions on which service quality customers' perceptions could be measured (professionalism and skills, reliability and trustworthiness, attitudes and behaviour, accessibility and flexibility, service recovery, serviscape, and reputation and credibility).

Parasuraman, Zeithaml and Berry proposed a conceptual framework of service quality based on the interpretation of qualitative data from extensive explanatory research performed in four service businesses (Akbaba, 2006: 174). Landrum *et al.* (2007: 105) simplify the definition of service quality as a comparison between consumers' expectations and their perceptions of the service they actually receive. Woo and Ennew (2005: 1180), furthermore, indicate that both of the two approaches to conceptualizing the dimensions of service quality clearly overlap.

2.4 CUSTOMER EXPECTATIONS OF SERVICE

Zeithaml *et al.* (2006: 81) state that "customer expectations are beliefs about service delivery that serve as standards or reference points against which performance is judged". The concept of expectations has been widely used in many studies about consumer behaviour. Customer expectations are critical to services marketers. Expectations will deeply influence customer behaviour. For instance, if a customer's last experience with a company was negative, he/she may approach a new situation with the expectation that he/she will again be dissatisfied.

According to Bebko (2000: 12), customer expectations are not stable. Since customers' expectations are one kind of human perceptions based on verbal information, personal needs, experience and commercial information, and customer service expectations are usually dynamic. Therefore, expectations cannot always be predicted by individual households or customers. Sometimes, it is easier to predict expectations with a more aggregate level of groups of consumers.

2.4.1 Levels of service expectations

Customers have different types of expectations about service. In general, researchers focus on two types of customer expectations. According to the levels of the service expectations, the highest one is called desired service. Desired service reflects the hopes and wishes of some consumers. The other level of service expectations is defined as "adequate service". Adequate service represents the "minimum tolerable expectation," which means the bottom level of performance what customers are willing to accept (Metters *et al.*, 2006: 83).

2.4.2 The zone of tolerance

The ranges of the variation between the desired service level and the adequate service level can be called the "zone of tolerance" (Ma, Pearson and Tadisina, 2005: 169). Based on the specific situation and various needs, the service performance of suppliers provided is very different from the same provider, and even with the same service employee. Desired service is more stable than adequate service. Fluctuations in the zone of tolerance mostly focus on the adequate service level rather than the desired service (Gilbert and Wong, 2003: 522).

The zone of tolerance not only concerns the perception of the service but also the perception of the service delivery process. An individual customer's zone of tolerance increases or decreases based on a number of factors, including company-controlled

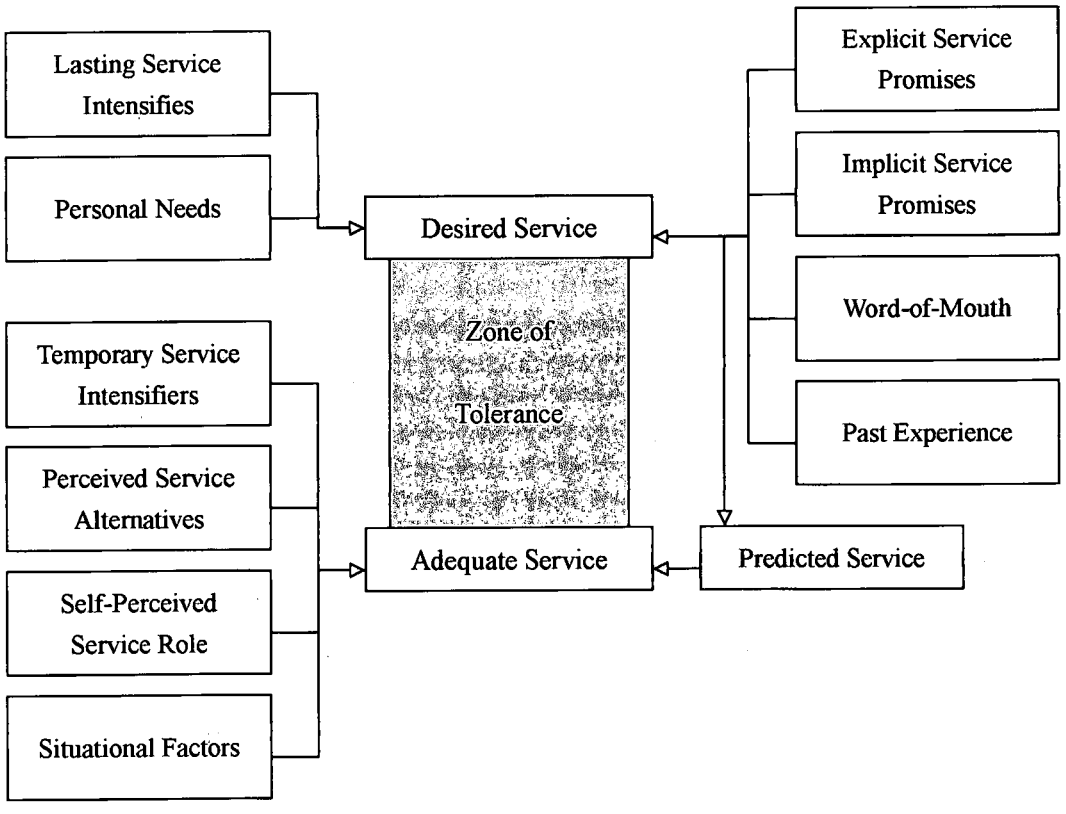
factors. The more important the factor, the narrower the zone of tolerance is likely to be (Zeithaml *et al.*, 2006: 87).

2.4.3 Factors that influence customer expectation

Although many of the factors that influence customer expectations are uncontrollable, marketers should try to understand them so that they can control those (Robledo, 2001: 23). In general, these factors are divided into three parts in terms of the levels of the service expectations such as desired service expectations, adequate service expectations, and both desired and predicted service expectations. The detailed factors will be discussed in the following sections.

2.4.3.1 Factors that influence desired service expectations

Figure 2.1 Factors that influence desired and predicted service



Source: Zeithaml *et al.* (2006: 93)

The desired service expectations are driven by more enduring factors, which tend to be high to demands of primary service and remain high (Caro and García, 2006: 63). As Figure 2.1 shows, personal needs and lasting service intensifiers are the two largest factors that influence on desired service level and elevate the level of desired service (Zeithaml *et al.*, 2006: 88).

Personal needs refer to those states or conditions that are essential to the physical or psychological well being of the customer. Each customer has different needs for each service. Therefore, this need also influences customers to judge the quality of the service, and whether or not it has satisfied their needs (Hensley and Dobie, 2005: 86).

Metters *et al.* (2006: 88) indicate that lasting service intensifiers are individual, stable factors that lead the customer to a heightened sensitivity to service. Desired service expectations and personal service philosophy are two important factors of the lasting service intensifiers. Desired service will occur when customer expectations are driven by another person or group of people. Personal service philosophy means that the customers have their own cultural character when they are making a decision (Gilbert and Wong. 2003: 520).

2.4.3.2 Factors that influence adequate service expectations

As Figure 2.1 shows, there are five important factors influencing the adequate service (Zeithaml *et al.*, 2006: 90-93):

- Temporary service intensifiers include many short-term and individual factors that make a customer more aware of the need for service. In some situations where temporary service intensifiers are present, the level of adequate service will increase and the zone of tolerance will narrow;
- Perceived service alternatives mean that other competitors, who obtain the same service, can influence customers' choice and decision;

- The customers' self-perceived service role is the third factor affecting the level of adequate service. Since customers' expectations are partly shaped by how well they believe they are performing their own role in service delivery, one role of the customer is to state the level of service expected;
- Situational factors indicated some factors that customers perceived but that are beyond of the control of the service providers; and
- Predicted service is typically an estimate of the service that a customer will receive in an individual transaction with a service provider. Since customers are always likely to predict what will happen in the next service encounter or transaction in terms of their experiences, predicted service is viewed in this model as an influencer of adequate service.

In general, these factors are short-term and tend to fluctuate than the factors can influence desired service.

2.4.3.3 Factors that influence both desired and predicted service expectations

As Figure 2.1 shows, there are four factors that influence both desired service and predicted service expectations. Explicit service promises, implicit service promises, and word-of-mouth communications are three external influencing factors. Past experience is one of internal factors (Robledo, 2001: 25).

Explicit service promises that the organisation conveys various statements about the service to its customers. In general, there are two channels that deliver the statements. One is personal vehicle. Salespeople and employees communicate service promises. The other is non-personal. Advertising, brochures, and other written publications are main information vehicles. All types of explicit service promises influence the levels of both desired service and predicted service. Customers also expect the service to be in keeping with the messages (Lovelock and Wright, 2002: 192).

Implicit service promises are service-related cues to customers by price and tangibles associated with the service. In general, the higher the price and the more impressive the tangibles, the more a customer will expect from the service (Rosene, 2003: 54).

Word-of-mouth communication, as an information source, is very important service although it belongs to a sort of informal recommendation (Echeverri, 2005: 201). Moreover services are usually difficult to evaluate before purchase, this kind of communication with drawing an unambiguous conclusion from other experienced is recognised as unbiased. Experts (including consumer reports, friends, and family) are also word-of-mouth sources that can affect the levels of desired and predicted service (Caro and García, 2006: 64).

Past experience is the customer's previous experiences to the related service. Past experience will likely to change the customer's expectation (Rosin, 2003: 54). It can efficiently and effectively adjust service expectations and decrease dissatisfaction for customers.

2.5 CUSTOMER PERCEPTIONS OF SERVICE

The customers' perceptions of service quality have attracted quite extensive attention from researchers and practitioners. Zeithaml and Bitner (2000:27) describe customer perceptions as: "the subjective assessments of actual service experiences. This refers to how customers perceive services; how they assess the quality of received service; whether they are satisfied; and whether they have received good value. Therefore, customer perceptions of service are also defined as customer perceptions of quality, satisfaction and value". In short, the customers' perceptions are the way that people see something based on their experience. Everyone's perception of a situation will be at least slightly different.

2.5.1 Dimensions of service quality

Silvestro (2005: 216) states that the only criteria that count in evaluating service quality are those defined by the customer. According to Nowacki (2005: 236), Parasuraman, Zeithaml and Berry established 10 service quality dimensions that customers use to judge the quality of the service offered in 1984.

The ten dimensions are not necessarily independent of each other. There could be some overlap between the categories. As a result of a further study, Parasuraman *et al.* (Grönroos, 2000: 74) combined the ten original determinants into five dimensions of quality: tangibles, reliability, responsiveness, assurance (including competence, courtesy, credibility, security) and empathy (including access, communication and understanding), as seen Table 2.1.

Table 2.1 Ten dimensions of service quality

Correspondence between SERVQUAL Dimensions and Original Ten Dimensions for Evaluating Service Qua

Original Ten Dimensions for Evaluating Service Quality	SERVQUAL Dimensions				
	TANGIBLES	RELIABILITY	RESPONSIVENESS	ASSURANCE	EMPATHY
TANGIBLES					
RELIABILITY					
RESPONSIVENESS					
COMPETENCE					
COURTESY					
CREDIBILITY					
SECURITY					
ACCESS					
COMMUNICATION					
UNDERSTANDING/ KNOWING THE CUSTOMER					

Source: Grönroos (2000: 74)

These five dimensions are found relevant for various business services. Customers will use all or some of the dimensions to determine service quality perceptions. Research

suggests that cultural differences will also affect the relative importance placed on the five dimensions. Tangible features, such as the personnel's or exhibition's appearance, are relatively easy to assess. However, intangible features such as safety and understanding clients' needs, may be very difficult for the professional and the client to evaluate (Zeithaml et al., 2006: 117).

2.5.1.1 Reliability

Bebko (2000: 11-12) defines reliability as "the ability to perform the promised service dependably and accurately". Reliability is a key dimension that customers can evaluate the quality between they received and the provider promised during the delivery process (e.g. service provision, problem resolution, and pricing). All firms need to be aware of customer expectations of reliability.

2.5.1.2 Responsiveness

Zeithaml *et al.* (2006: 117) suggest that service providers should be active and voluntary to help their customers and to provide prompt service. This dimension demands that the service provider should be more flexible in solving their customers' problems and requests. Firms even should have a capacity to customize services for dealing with their customers' special needs.

2.5.1.3 Assurance

Robledo (2001: 25) identifies assurance as "employees' knowledge and courtesy and the ability of the firm and its employees to inspire trust and confidence". This dimension consists of four original determinants: competence, courtesy, credibility and security.

2.5.1.4 Empathy

As Table 2.1 shows, access, communication and understanding/knowing the customer

are merged into empathy. The basic target of the dimension is to afford more facilities for the current or potential customers and enhance the services capacity, through personalized or customized service. Curry and Sinclair (2002: 200) describe empathy as the caring, individualized attention that the firm provides its customers.

2.5.1.5 Tangibles

Tangibles are related to 'the appearance of physical facilities, equipment, personnel, and communication materials' (Robledo, 2001: 26). Since the tangible and visual elements of the site will be critical to efficiency as well as to overall perceptions of the firm and the brand, service companies are likely to use tangibles to enhance their image and convey quality service to customers. Most companies also combine tangibles with another dimension to create a service quality strategy for the firm (Zeithaml *et al.*, 2006: 120-122).

2.5.2 Relationship between service quality and customer satisfaction

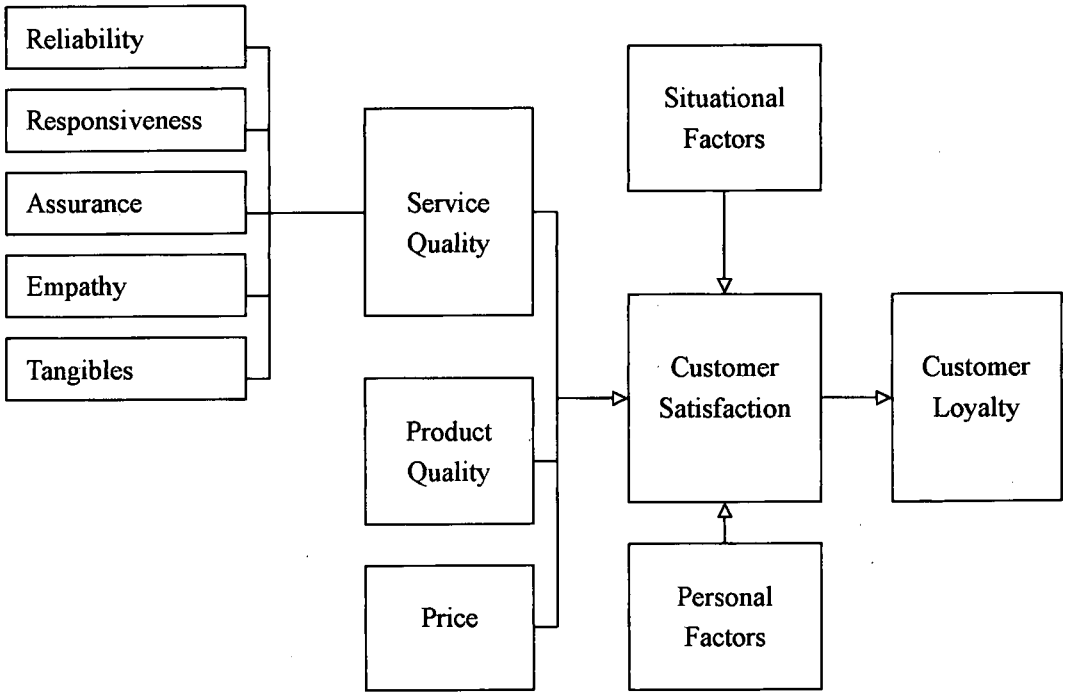
Lovelock and Wright (2002: 87) define customer satisfaction as a sort of emotional reaction that arose from an actual experience. Metters *et al.* (2006: 110) also indicate that satisfaction is the consumer's fulfillment response. Satisfaction is the customer's evaluation of a product or service in terms of whether that product or service has met the customer's needs and expectations (Bruhn and Georgi, 2006: 443).

According to Truong and Foster (2006: 843), customer satisfaction takes place in two situations. One is the result of a product or actual service meets the customer's expectations. The other is the result exceeds the expectations. Dissatisfaction will occur when the actual service is below the expected level. So, satisfaction and dissatisfaction are the outcome of a subjective evaluation process.

The relationship between service quality and customer satisfaction is still a mystery, whether customer satisfaction is an antecedent of service quality or vice versa. Several researchers suggest that customer satisfaction leads to service quality (Lee, Lee and Yoo, 2000: 219).

However, an approach most frequently applied in the commercial sector suggests that customer satisfaction with a service is related to the perceived discrepancy between actual and ideal levels of service delivery. If experience of the service greatly exceeds the expectations that clients had of the service, then satisfaction will be high and vice versa (Mori, 2002). This should not, of course, be taken by service providers as licence to drive down expectations to achieve surprise and concomitant customer satisfaction with moderate service quality: service quality is seen as an antecedent of customer satisfaction (Brady, Cronin and Brand, 2002: 18). Figure 2.2 shows the relationships between the two concepts.

Figure 2.2 Customer perceptions of quality and customer satisfaction



Source: Zeithaml *et al.* (2006: 107)

In fact, customer satisfaction and service quality are conceptually distinct from one and another, but closely related. Service quality is a cognitive, evaluative and objective concept while satisfaction is a combination of an affective and subjective component (Lovelock and Wright, 2002: 265). Extensive literature has been developed on studies of the measurement and understanding of customer satisfaction with service provision (Mori, 2002). Many previous studies have incorporated a wide range of methodologies to meet the challenge of developing performance measurement sensitive to both customer and provider issues.

Customer satisfaction stems from the fact that service providers provide service that meets or exceeds customers' expectations. Customer expectation is an important element that might play a decisive role in the literature on quality and satisfaction. Another area that has been proposed and needs to be concerned is customer expectation. Many researchers that believe in the disconfirmation paradigm are concerned about this area, since customers evaluate service quality by comparing their perception of the service with their expectation (Robledo, 2001: 23).

To measure customer satisfaction and examine the differences between the desired level of a service and customer service actually received, the related factors to take account of their relative importance to customers reveal where improvements in the service mix are required. Customer satisfaction is influenced by specific product or service features, perceptions of product and service quality, and price. In addition, personal factors such as the customer's mood or emotional state and situational factors such as family member opinions will also influence satisfaction (Zeithaml *et al.*, 2006: 110).

2.5.3 Evidence of service

Due to services being intangible, customers often search for evidence of service in every interaction they have with an organisation. In many academic studies, different

researchers propose various evidences which make the offering tangible in the service process. Lovelock and Wright (2002: 13) indicate "8Ps" of service organisation, namely product elements, place and time, promotion and education, price and other user outlays, process, productivity and quality, people, and physical evidence. Zeithaml *et al.* (2006: 132) further simplify them to the three major categories: people, process, and physical evidence.

2.6 SERVQUAL MEASUREMENT THEORY

Over the past two decades, numerous researchers attempt to create models in measuring service quality for survival and success of service companies. One of the most influential models is the SERVQUAL (SERVices QUALity) measure, which originally developed in 1985 by Parasuraman *et al.* and refined in 1988, 1991 and 1994 (DeMoranville and Bienstock, 2003: 220).

SERVQUAL is based on the "GAP model" of service quality (Landrum et al., 2007: 105), which facilitates quantification of the gap between customers' expectations of a service and their perceptions of the actual service delivered. The detailed introduction of the GAP model of service quality and the SERVQUAL theory will be shown in the following sections.

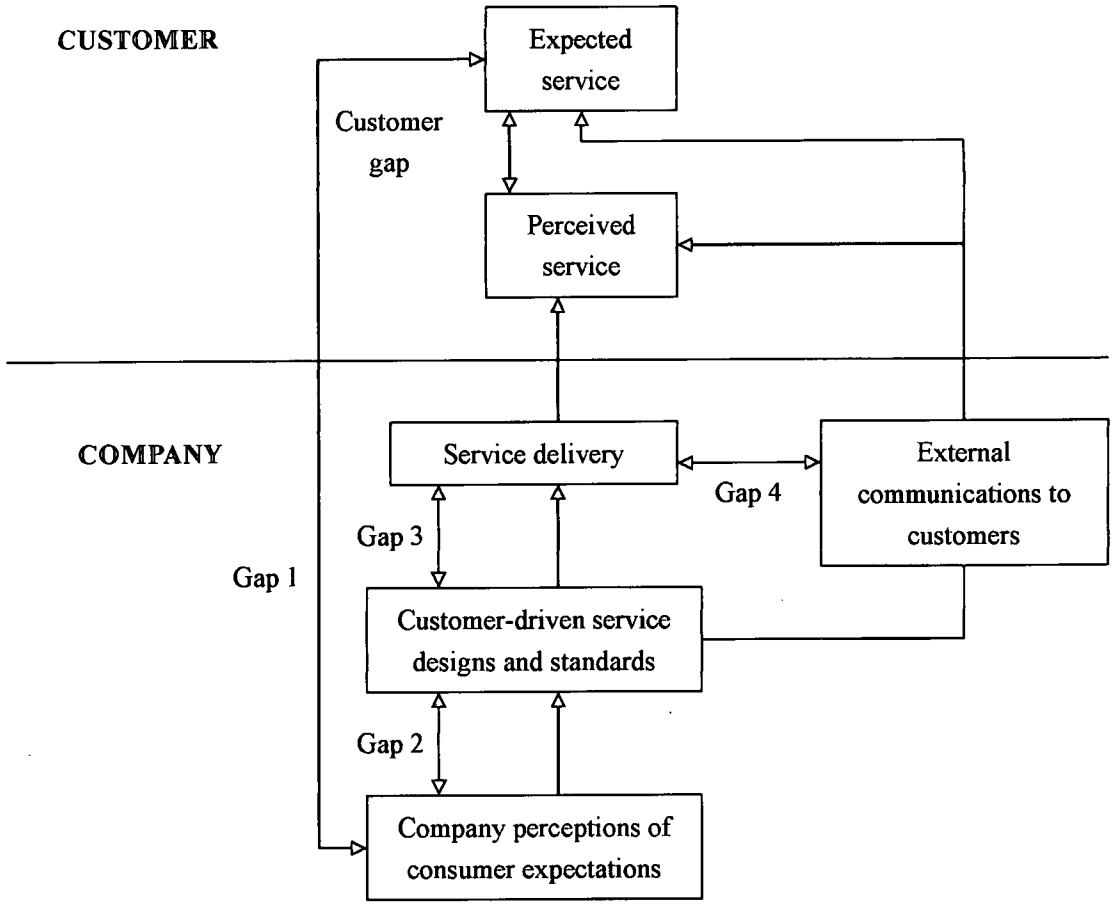
2.6.1 The GAP model of service quality

Parasuraman, Zeithaml and Berry (Rosene, 2003: 52), in 1985, first submitted the gaps model of service quality, which defines the difference between customers' expectations of a service and their perceptions of the actual service delivered. This model is illustrated in Figure 2.3. The model shows the relationship between the external gap 5 (the customer gap) and the internal gaps 1 - 4 (Grönroos, 2000: 101).

As Figure 2.3 shows, the customer gap is the difference between the expected service

and the perceived service (Robledo, 2001: 22). Many studies indicate that the expected service and the perceived service are simultaneously influenced by the market communication activities of the service provider. The gap model of service quality includes five gaps. One is called the external gap of service quality because this gap does not mean that customers must contact with service providers. The other four so-called internal gaps, which reflect those service interface problems, are proposed as the provider gaps (Rosene, 2003: 52).

Figure 2.3 Gaps Model of Service Quality



Source: Zeithaml *et al.* (2006: 46)

The customer gap (gap 5) depends on the size and direction of the four internal gaps associated with the delivery of service quality on the marketer's side. Zeithaml *et al.*

(2006: 35) identify four main factors for the four the provider gaps, namely, management do not understand customer expectations, the service specification of management is not right, the right specification is not delivered to customer, and finally, the external communication is not fit to the service demand. These internal gaps are discussed in the following sections.

2.6.1.1 The management perception gap

Provider gap 1 means that managers do not fully perceive or understand about how customers formulate their expectations that arise from past experience with the firm and its competitors, personal needs, and even word-of-mouth (Zeithaml *et al.*, 2006: 35). It is also called the management perception gap (Grönroos, 2001: 102). In short, the service firms can be offering wrong or dissatisfactory service to their customers (Rosene, 2003: 52).

Four main factors can cause this management perception gap (Provider gap 1). First, the service providers are short of the accurate and seasonable marketing research. Today, customer expectations are changing rapidly. It is absolutely necessary to conduct sound market research regularly if service providers want to understand customers' needs (DeMoranville and Bienstock, 2003: 220). Secondly, there are too many layers of management that interfere with the flow of objective information. Most top managers never communicate with their frontline employees and customers. They may just acquire some insufficient and fuzzy information about their customers' actual requirements. The third factor related to provider gap 1 is a lack of relationship marketing. The inaccurate and unilateral market orientation causes management and empowered employees to ignore and lose their potential customers. Lastly, lack of service recovery leads to an increase in the degree of customers' dissatisfaction. Observably, the more inaccurate the information about customers' expectations managements, the larger is the provider gap 1 (Hensley and Dobie, 2005: 89).

2.6.1.2 The quality specification gap

Provider Gap 2 means that the service quality specification cannot display and meet customer expectations which the service provider has understood (Gilbert and Wong, 2003: 521). Grönroos (2001: 102) refers to this gap as the quality specification gap.

There are various factors that influence this gap. Metters *et al.* (2006: 187) summarise three main factors which make a service more tangible and intelligible. First, the service provider is short of a formal quality programme to define the quality of services. Second, management may focus more on cost reduction and short-term profit than on customer requirements. Third, physical evidence and the servicescape, which are critical factors, affect customers' perceptions of service quality, cannot meet customer and employee needs. Grönroos (2001: 103) also indicates that the promise of service providers may fill up a part of the quality specification gap.

2.6.1.3 The service delivery gap

According to Bruhn and Georgi (2006: 226), service delivery refers to the process of transferring available service products for consumption or use. The service delivery gap will occur when employees cannot correctly translate service standards into actions (Rosene, 2003: 52). Silvestro (2005: 218) indicates that the provider gap 3 is the difference between actual service quality and service standards by service providers.

Human resources are one of the critical factors that support the appropriate service standards. For example, lack of teamwork, poor employee job fit, poor supervisory systems, role ambiguity and role conflict are all negative factors. The customer is the second vital factor influencing this gap. Customers not only play an important role, but impact each other in the whole service delivery process. Intermediaries are the third factor in delivering service process. Intermediaries find it difficult to offer the same quality, even if they have the same service standards. The fourth possible factor is that

service firms cannot present enough resources and capacity when service firms face situations of over-demand and under-demand (Metters *et al.*, 2006: 187). Furthermore, Grönroos (2001: 103) indicates the inadequacy of tools or technology will widen the gap.

2.6.1.4 The market communication gap

Grönroos (2001: 105) indicates that the market communication gap will occur when the service provider's external communications do not match the actual service delivery. In Figure 2.3, the provider gap 4 refers to the discrepancy between actual and promised service. In other words, the external marketing communication can influence the perceived service as well as the expected service.

Four main reasons are proposed by Zeithaml *et al.* (2006: 43). First, the internal and external communications are not effectively integrated in the service delivery by the service provider. Second, the customers' expectations are not effectively employed and managed by management. Third, the service providers often deliver over promise for keeping competitive advantage during the company's external communications process. Fourth, horizontal communication between those responsible for the company's external communications and the front office employees is ineffective.

2.6.1.5 The role of internal gaps

As Figure 2.3 shows, the customer gap between customer's perceptions and expectations is an external gap. To be able to deliver excellent service quality and close the customer gap, it is necessary to close four internal gaps which are between service providers and their customers (Silvestro, 2005: 217-218). If gaps 1 to 4 are reduced, service quality can be improved.

Also, Figure 2.3 shows that both Gap 3 and Gap 4 have a direct impact on the

customer's quality perception. Today, more service organisations and researchers mainly focus on the service delivery gap and the market communication gap than the other two gaps (Zeithaml *et al.*, 2006: 43). This tendency implies that managers of the intercity bus transport industry in South Africa should also concentrate on how to improve effectively their service delivery process and external communication.

2.6.2 The SEVRQUAL instrument

The SERVQUAL model, a standardised questionnaire, includes two statements for the each of the 22 items that represent the five dimensions described above. An expectations' section containing 22 statements is to ascertain the general expectations of customers concerning a service. A perceptions' section containing a matching set of 22 statements is to measure customers' assessments of a specific firm within the service category (Pérez *et al.*, 2007: 140-141). Five of the 22 statements are used to measure reliability, four to measure responsiveness, four to measure assurance, five to measure empathy, and four to measure tangibles (see Table 2.2). Statements in both sections might use a seven-point Likert scale ranging from "Strongly Agree" (7) to "Strongly Disagree" (1) (Curry and Sinclair, 2002: 200).

The survey sometimes asks customers to provide two different ratings on each attribute—one reflecting the level of service they would expect from excellent companies in a sector and the other reflecting their perception of the service delivered by a specific company within that sector. The gap or difference, between customer expectations and perceptions about the provided service, results in the customers' perceptions of service quality as well as constitutes a quantified measure of service quality (Landrum *et al.*, 2007: 105).

By comparing each value difference between all 22 expectations and perceptions, the level of quality can be concluded (Lai, 2006: 928). For example, if the perception value

is higher than the expectation value, it can be concluded that the service is satisfactory or ideal. However, if the expectation value is lower than the perception value, the service quality level can be regarded as unsatisfactory or even unacceptable. Balancing customers' expectations and perceptions and closing the gap between them, are essential if a company is to provide high-quality services.

After the exploratory study, which comprised a series of in-depth interviews and focus groups in four selected service categories, Parasuraman *et al.* found that reliability was most important and tangibles were the least important in all five SERVQUAL dimensions (Silvestro, 2005: 220-221).

Zeithaml *et al.* (2006: 153) present several purposes for measuring quality with SERVQUAL, of which the following are noteworthy:

- For the assessment of quality performance on each SERVQUAL dimensions;
- For the assessment of service performance contrast to direct competitors;
- For the categorisation of different customer segments; and
- For the records of changes in service quality perception among customers over a specified time period.

Currently, this model, across a broad range of service categories, has been widely used in multiple contexts, cultures, and countries for measuring service quality by scholars and practitioners (Metters *et al.*, 2006: 73). For example, an adapted version of SERVQUAL was used in a health care setting (Silvestro, 2005), hotel setting (Akbaba, 2006), and museum setting (Nowacki, 2005) to measure consumers' expectations concerning service quality.

The variables, as indicated in Table 2.2, reveal that SERVQUAL has a variety of applications. It can help a wide range of commercial and public-sector organisations in

assessing consumer expectations about and perceptions of service quality.

Table 2.2 The original SERVQUAL item battery

Reliability

1. Providing services as promised.
2. Dependability in handling customers' service problems.
3. Performing services right the first time.
4. Providing services at the promised time.
5. Maintaining error-free records.

Responsiveness

6. Keeping customers informed about when services will be performed.
7. Prompt service to customers.
8. Willingness to help customers.
9. Readiness to respond to customers' requests.

Assurance

10. Employees who instil confidence in customers.
11. Making customers feel safe in their transactions.
12. Employees who are consistently courteous.
13. Employees who have the knowledge to answer customer questions.

Empathy

14. Giving customers individual attention.
15. Employees who deal with customers in a caring fashion.
16. Having the customers' best interests at heart.
17. Employees who understand the needs of their customers.
18. Convenient business hours.

Tangibles

19. Modern equipment.
20. Visually appealing facilities.
21. Employees who have a neat, professional appearance.
22. Visually appealing materials associated with the service.

Source: Bruhn and Georgi (2006: 55)

2.7 SERVICE DELIVERY SYSTEM

It is known that service quality is an important indicator about a service operator. Service delivery, as a key gap of the whole service system, is concerned by numerous researchers and practitioners. The customer's preference for some elements within the service delivery system can influence their decisions to service providers. According to Zeithaml *et al.* (2006: 348), there are three main categories (people, physical evidence and the servicescape) that may influence the quality of a service in the service delivery process. These are discussed in the following sections.

2.7.1 People

According to Metters *et al.* (2006: 128), many researchers place more focus on the role of service employees and customers in the service delivery process in terms of the essential role of people in the current service marketing theory. Also, marketers and organisational behaviourists pay more attention to the relationship between people and quality in the course of service delivery.

2.7.1.1 The role of service employees in service delivery

The role of service employees is quite important to service operators in any service delivery process, because service employees can directly influence all of the following five dimensions of service quality (Lovelock and Wright, 2002: 324):

- The appearance and dress of employees display the tangibles dimension of service quality;
- Service employees can totally control the reliability dimension of service quality. They present and deliver the corresponding service in term of service promise;
- Frontline employees directly show the reliability dimension of service quality by offering their personal willingness to help customers;
- The assurance dimension of service quality is due to the behaviours of employees in communicating their credibility and instil trust in the customers; and

- Empathy implies that employees will provide individualised attention to help customers.

Today, a number of researchers emphasize on the importance of service employees in the service delivery. Zeithaml *et al.* (2006: 355) indicate that service employees, as a part of the service delivery system, will influence the image of the whole service organization. The following three paragraphs point out the critical importance of the image of an organisation.

First, service employees can directly influence customer satisfaction when they frequently deliver or perform the service to clients. Frontline service employees play a link role between the external customer and environment and the internal operations of the organisation. They interpret information and standards of the organisation for its external customers. Customers also expect front line staff to know about their company's products and services and give customers professional help. These contact employees may still personify the firm in the customer's eyes (Silvestro, 2005: 220).

Second, front line employees see more than customers see and they see the service delivery system from a different angle. Employee research helps reveal why service problems occur, and what companies might do to solve these problems. Since internal service quality affects external service quality, measuring internal service quality is essential. Lai (2006: 927) also indicates that the front line service employees, as internal customers of a service operator, are the only people who can assess internal service quality.

Third, the knowledge and skills of key employees is crucially important for a service firm in high competitive market. Since sophisticated employees have more experience to the service delivery system, they often predict the failure before it takes place. If the

best service employees leave the firm, it can be very detrimental to customer satisfaction, employee morale, and overall service quality (Metters, *et al.*, 2006: 129).

Therefore, service organisations should focus attention on the vital role of service employees and develop strategies to solve human resources issues for the effective customer-oriented service and closing the service delivery gap (Lidén, 2003: 339). Zeithaml *et al.* (2006: 366) suggest four strategies, namely, hiring and recruiting the right people, training and developing people to deliver service quality, providing the needed support system, and retaining the best people, respectively.

2.7.1.2 The role of customers in service delivery

Customers, as the essential part of the marketing discipline, still play a crucial role for the survival of all operators. Since customers have and play more complicated roles in the domain of services than other industries, many researchers and academicians have to constantly identify these services. One of the most significant changes of the customers' role is from an external acceptor to an appropriate participator in the service creation and delivery process. According to Pérez *et al.* (2007: 135), customers cannot only impact on the organisation's productive capacity and both quality and quantity of service, but also control and contribute these outcomes to their own satisfaction.

As a result of the customers' participation in service delivery and production, the gap 3 within the GAP model of service quality is also influenced. Zeithaml et al. (2006: 396) identify the following three main roles of the customer in the current service delivery system.

Firstly, customers are considered as a kind of productive resource and can bring some obvious productivity benefits for service operations. Since more and more advanced technologies and devices (e.g. ATM, vending machines) are applied in the service

market, the interaction of customers and self-service automations are increasingly replacing roles that low-technology and front-line service employees played before by enhancing the service capacity of service operations. Some management experts have even called the self-service customers as "partial employees" of the service organisation, although the uncontrollability and uncertainty of customers' attitudes and actions still puzzle all service academicians and researchers (Grönroos, 2000: 106).

Secondly, the role of customers in service delivery is a contributor to their own satisfaction in terms of the service and the ultimate quality of services they received. Many researchers have shown that customer participation to the service delivery process and interaction with the service providers are based on their own needs (Pérez *et al.*, 2007: 135).

Lastly, the role of service customers is also viewed as a potential competitor because some self-service customers could perform the entire or part-service by themselves and not depend on the service operations at all (Zeithaml *et al.*, 2006: 399).

Therefore, customer participation in the service process can impact on an organisation's productivity, its service quality, and its customers' satisfaction. When customers fail to perform their role effectively, they can widen the service delivery gap. For example, customers lack understating of their roles; customers are unwilling or unable to perform their role; customers are not rewarded for good performance; other customers interfere; or market segments are incompatible (Fitzsimmons and Fitzsimmons, 2006: 150).

2.7.2 Physical evidence and the servicescape

Service customers are more attracted by price reductions, greater convenient services, or some other tangible benefit. Before the actual interaction takes place, a customer finds it difficult to obtain a clear understanding of what he or she will receive. The service

interaction is surrounded by physical and communication elements that provide information on the nature of the service and clues to its quality (Echeverri, 2005: 200). The tangible cue of the service, namely, physical evidence, relates to all aspects of a service and influence the customers' perceptions and decisions in the different service contexts (Bruhn and Georgi, 2006: 319).

Customers expect physical evidence to be found easily and used simply when they visit a service facility. At the same time, service operators strive to provide safe and efficient delivery of services. However, the actual physical evidence that service operators offer is not always in accordance with customer thinking and physical movements in the service delivery process. Such shortcomings have an effect on customers' perceptions of service quality (Akbaba, 2006: 172).

Zeithaml *et al.* (2006: 317) define physical evidence as "the environment in which the service is delivered and in which the firm and the customer interact, and any tangible commodities that facilitate performance or communication of the service". Bruhn and Georgi (2006: 320) indicate that service physical evidence has the following three general types: servicescape, service environment and service materials:

1. The servicescape is the physical location where the service is delivered;
2. The service environment refers to the overall surroundings of a service location; and
3. Service materials refer to the physical cues with a supportive function in the encounter for the employee or the customer.

In the American literature on service management, however, the "service environment" has been referred to as the "servicescape" (Echeverri, 2005: 201). Lovelock and Wright (2002: 249) describe servicescape as "the style and appearance of the physical surroundings where customers and service providers interact". This servicescape affects customers by altering behaviour at the customer level (Grönroos, 2001: 201).

Situational factors have an effect on customers' perceptions, and, hence, on their behaviour.

2.7.3 Other factors in the service delivery process

When service providers make strategies and decisions for delivering and distributing quality service, they often pay attention to three important factors in service delivery process: location, time and channel (Lovelock and Wright, 2006:251).

2.7.3.1 Service location

Simply, service location is a place, in which the service is produced, delivered and consumed. The primary principle of determining an appropriate service location is to make it more convenient for customers. Based on the some characteristics of service types and the needs of customers, service operations usually have three options for the service location: at the provider's location, at the customer's location and at a third party's location (Lee *at el.*, 2000: 219).

Moreover, the development of new technologies brings in the service place splitting in the service delivery process. The service place splitting means the same service is delivered at a different place (Metters *at el.* 2006: 97). The service place splitting lets the customer decide regarding the place of service delivery and offers more convenient and attractive.

The service delivery location, as a type of physical evidence, can have an important impact on the customers' behaviours (Zeithaml *at el.*, 2006: 327). Bruhn and Georgi (2006: 235) indicate the following three aspects: the relevance of quality characteristics in the customers' perception, the customers' integration into the service process, as well as customers' purchasing decisions.

Although customer convenience is important, service operators have to take into account other constraints when they decide the location of service delivery. In particular, the profitability-oriented effects are concerned by all service providers (Nowacki, 2005: 236). For example, the costs and capacity of service location are restricted by the economies of scale of the service provider.

2.7.3.2 Service timing

Timing aspects of service delivery often limit service availability and cause a lot of inconvenience for customers. At the same time, service resources, capacity and other many external factors also restrict the time flexibility and operating time of service providers (Lovelock and Wright, 2002: 254). On the topic of many timing issues in the service delivery system, Bruhn and Georgi (2006: 241) summarised the following four dimensions of service timing.

First, the length of service delivery, as a crucial standard of service delivery, is concerned by both customers and service providers. Some customers' needs focus on service length. They select the different service providers by the different length of service delivery. To gain more profits and get the particular segment of the service market, service management control and vary the length of service delivery within their capacity (Ma *at el.,* 2005: 1071).

Second, the time flexibility of service delivery means that the service timing of service providers can meet the requirements of some customers at a certain time. There are three levels of the customer's flexibility in the service market. First of all, all times of service delivery is predetermined by service providers. This is a fixed time which customers cannot choose. Then, all the times of service delivery are listed in advance by service providers. Customers can choose a certain time from the timetable. Finally, delivery times of service are no fixed. However, service resources and capacity often

limited the time flexibility of service delivery (Lee *at el.*, 2000: 219).

Third, the permanence of service availability means the actual operating time of service providers (Bruhn and Georgi, 2006: 243). Since different industries have different availability hours, customers often experience a great deal of inconvenience. Therefore, the current trend of service availability is "24 hours a day, 7days a week" (Lovelock and Wright, 2002: 255).

Lastly, there is a time interval, namely, time-tag, between the customers' order of a service and actual delivery of the service. In the service delivery process, both customers and service providers expect to reduce the time-tag between order and delivery because customers' needs can be met in a timely way and service providers can gain more profits through serving more customers (Lidén, 2003: 339).

2.7.3.3 Channel role of service delivery

According to Metters *et al.* (2006: 156), the channel of service delivery is regarded as an intermediary of distributing and delivering service from service provider to customer. There are various types of service delivery channels in today's service industries. In general, two types of service channels are widely accepted by many researchers in terms of the different service carriers, namely, personal channels and electronic channels.

The classic delivery channel for a service is personal service delivery. According to the inseparability of production and consumption in service, the direct contact between the service producer and the consumer is necessary. The two types of personal channels used in service delivery are company-owned channels and the third-party channels (Zeithaml *et al.*, 2006: 422).

For most services, service organisations have a company-owned channel. The

advantage of company-owned channels is that the owner can maintain consistency in the service delivery process. Since all departments in the whole service system comply with a common standard, the service organisation has complete control over the quality of service. At the same time, company-owned channels have two obvious disadvantages. One is the increasing service chains results in a potential financial risk. The other is that service organisations, with company-owned channels, lack experts in local markets (Zeithaml *et al.,* 2006: 424-426).

On the contrary, the third-party channels can reduce the financial risk and make services locally available. Furthermore, many legal, cultural and language barriers of personal interaction facilitate service organisations to pay more attention to the cost-effective channels (Lovelock and Wright, 2002: 258-259). The third-part channels of service delivery include franchisees, agents and brokers (Metters, *et al.,* 2006: 157).

However, the third-party channels are not without its disadvantages. For example, the original service providers find it difficult to maintain the consistency of service quality. The most evident reason is due to customer relationships that are controlled by the third-party service firms (Nowacki, 2005: 240).

With the rapid development of telecommunications and computer technology during the last two decades, electronic channels, as another type of service channel, have been realized and applied by more and more service providers and customers (Bovée, Thill and Schatzman, 2004: 3). Bruhn and Wright (2006: 251) summarise four main types of electronic delivery channels: service machines, telephone, internet and mobile channel.

Since electronic channels only depend on technology and/or equipment for service production, service providers utilise them to interact with their customers and to overcome some of the problems associated with service inseparability and non-

standardization in the personal service delivery process and provide more facilities for customers (Zeithaml *et al.*, 2006: 433). For example, ATM, as a service produced entirely by the customer through service machines, not only entirely integrate customers into the service delivery process to save the potential employees' cost, but also providers facilities to customers and increase customer satisfaction. However, service providers also face some new challenges when they deliver services via electronic channels. The benefits and challenges in using electronic channels are summarised in Table 2.3:

Table 2.3 Benefits and challenges in Electronic Distribution of Services

Benefits	**Challenges**
Consistent delivery for standardized services	Price competition
Low cost	Inability to customize with highly standardized services
Customer convenience	Lack of consistency due to customer involvement
Wide distribution	Changes in consumer behaviour
Customer choice and ability to customize	Security concerns
Quick customer feedback	Competition from widening geographies

Source: Zeithaml *et al.* (2006: 434)

As listed in Table 2.3, all benefits in electronic distribution of services are opposite to those challenges based on the characteristic of electronic delivery system. Since

customers do not directly contact people in the electronic delivery system, prices of services are difficult to compare with each other while standardized service can be executed consistently. Also, customers inconveniently customise with highly standardized services while service companies reduce the cost of operation. Another challenge is that customers have to be familiar with the service interface before they can easily access and use a firm's service when and where they want. Therefore, customers would enjoy the service in a wider area if consumer behaviour can be changed. Customers can choose and customise the different service processes. However, the security of personal information is a noticeable issue, particularly health and financial information. Service companies can find out immediately what customers think of services. At the same time, they may face more competitors far from the local area.

Bruhn and Georgi (2006: 256) indicate that many service firms have to offer various service channels simultaneously since every channel have different profits to service providers and their customers. In general, the choice of service channels can influence service performance in the process of service delivery.

2.8 MARKETING COMMUNICATION

Communication is not a new concept, but as an increasingly critical component of economic growth. Communication involves and affects nearly every disciplinary field, including service marketing (Grönroos, 2000: 264). Bovée *et al.* (2004: 4) believe that communication is a process of creating information within a person and exchanging information between people. Communication involves the exchange of visual messages, verbal and nonverbal.

According to Angell (2007: 34), communication in business is faster, more convenient and more accessible although marketing communication is more complex today than it used to be. The major reason is due to more electronic channels being available to carry

messages than personal channels. However, Zeithaml *et al.* (2006: 485) indicate that service providers still have a major challenge to maintain the consistency of all information resources in terms of the gap 4 of the GAP model. The gap refers to the discrepancy between the promised service and the actual delivered service.

2.8.1 The importance of communication

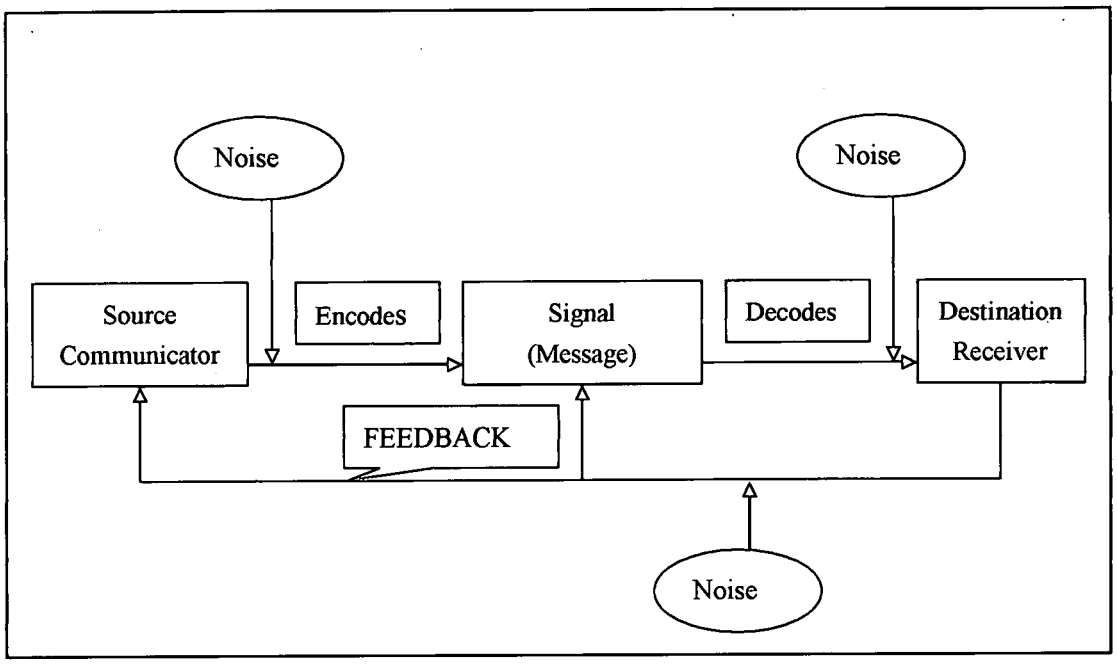
Afullo (2000: 206) indicates that the lack of experience and information will make an asymmetry of information between service providers and customers. For example, customers do not have any experience and information towards a service, or service organisations provide insufficient information to customers, they will not make a right decision. The quality of the service offered will be improved via more communication about each other's preferences and capabilities. This improvement will result in more satisfied customers and better services (Grönroos, 2000: 265-269).

2.8.2 Components of the Communication Process

Theron, Bothma and du Toit (2003: 35) demonstrate that the interactive process of communication is typically illustrated as consisting of eight main elements: sender or source, encoding, the message, the medium, decoding, recipient or receiver, feedback and noise.

As seen in Figure 2.5, the communicator and the receiver are at the two poles of the whole communication process. Angell (2007: 15) indicates that each person, group of people, company or some other organisation is both a message source and a receiver. The sender translates their thought or ideas into symbolic forms called encoding. The symbolic forms, namely communication messages, include verbal, visual, and nonverbal symbols, which are perceived through the senses. Medium is an information vehicle to convey communication messages by technology. If the receiver can clearly understand or interpret these data, the decoding is successful.

Figure 2.5 A basic model of the communications process



Source: Copley (2004: 29)

On the contrary, the feedback can be generated. Feedback is considered as a critical component in communication by Bovée *et al.* (2004: 9). Feedback from customers is an opportunity that the sender can find out and correct ineffectual and misdirected messages. Feedback from service providers can influence their service brand image to customers.

Generally, noise is described as any interference or impediment in the marketing communication. Noise is the primary reason for communication breakdowns. The nature of noise includes internal, external, or message based (Copley, 2004: 31).

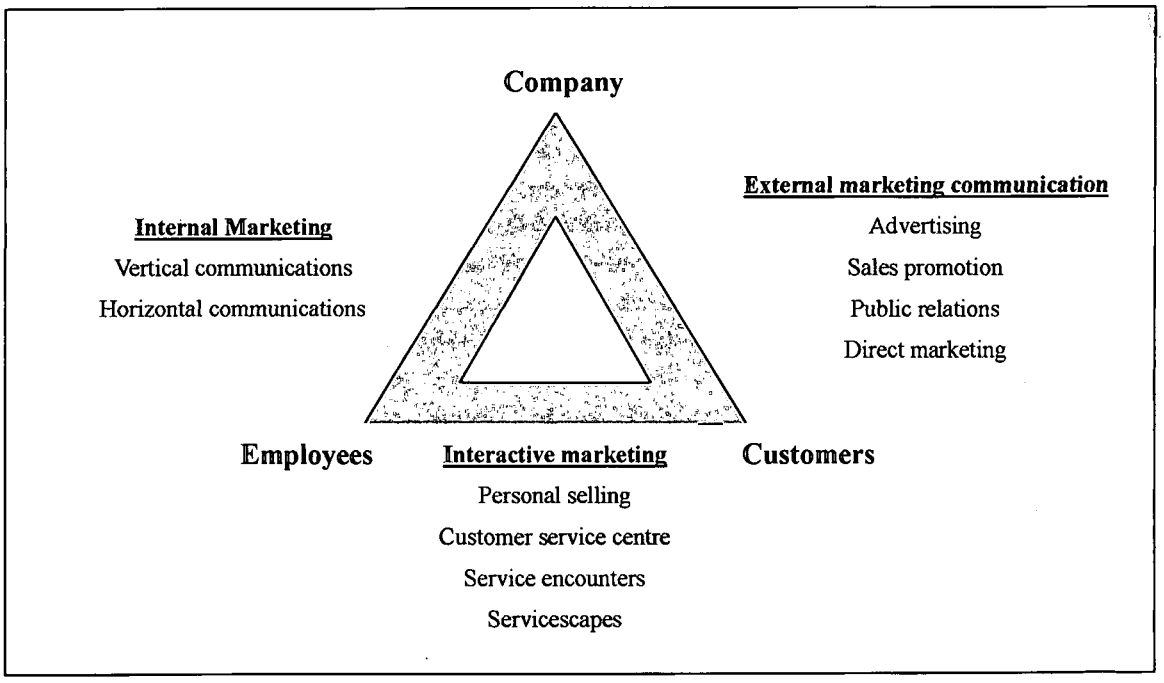
According to Angell (2007: 14), all psychological or physiological fluctuations of both senders and receivers can generate internal noise. External noise refers to any environmental interference in the communication process, such as loud sounds, strong orders, extreme temperatures, or even lighting conditions. Message-based noise refers to misleading messages that service providers created and designed.

2.8.3 Communication and the services' marketing triangle

In general, communication has two major categories. One is one-way communication (e.g. television, radio, newspapers, magazines, trade journals, posters, and direct mail) since there is no immediate personal interaction between the sender and the receiver. The other is two-way communication. The sender and the receiver can talk to each other about products and services.

According to the different directions of the receiver in communication, the marketing communication is classified as external communication and internal communication. In external communication, service organisations collaborate with the outside public, such as customers, stockholders, the government and the media. In internal communication, the cooperative objective is the inside public, namely, employees (Bovée *et al.*, 2004: 56). Zeithaml *et al.* (2006: 468) further identify the type of communication in terms of the service marketing triangle. This tangible is shown in Figure 2.6.

Figure 2.6 Communication and the services marketing triangle



Source: Zeithaml *et al.* (2006: 486)

2.8.3.1 External communication

Angell (2007: 47) indicates that external communication is the process of interaction and the exchange of messages between a service organisation and all factors outside the organisation.

As Figure 2.6 illustrates, customers are the critical objective of two types of external communication in services marketing. One is external marketing communication between the company and customers. It is composed of advertising, sale promotion, public relations and direct marketing. The main goal of a company is to arouse customers' attentions and create the image and brand. The other is interactive marketing communication between employees and customers. For the benefits of themselves and their company, employees provide the messages to customers via personal communications.

The message vehicles of external communication include annual reports, newsletters, brochures, advertisements, press releases and conferences. Feedback from customers is vital to the survival of any organisation during external communications. Via analysing external information in the communication process, service organisation information can make the efficient service strategies, avoid problems, and satisfy customer needs (Copley, 2004: 47).

2.8.3.2 Internal communication

In service communication, people need to think critically, evaluate, plan, and design messages intrapersonally for eventual delivery to a variety of customers (Bovée *et al.*, 2004: 48). Theron *et al.* (2003: 93) indicate that internal marketing communication refers to the internal processing of messages in a service firm.

Vertical communications are recognised as a model of the downward or upward

communication in the service organisation. For example, in order to maintain the consistence of service quality between the service firms promised and employees actually delivered, it becomes obvious that employees also need to be provided with sufficient information (Zeithaml *et al.,* 2006: 485). At the same time, the model of upward communication from the first-line employees to management can improve quality of service delivery.

Moreover, the communication of messages in the different departments of a service organisation is called horizontal communication. The messages need to be designed in the most effective way to increase mutual understanding and shared meaning with members who work interdependently in the same service organisation (Lovelock and Wright, 2002:193).

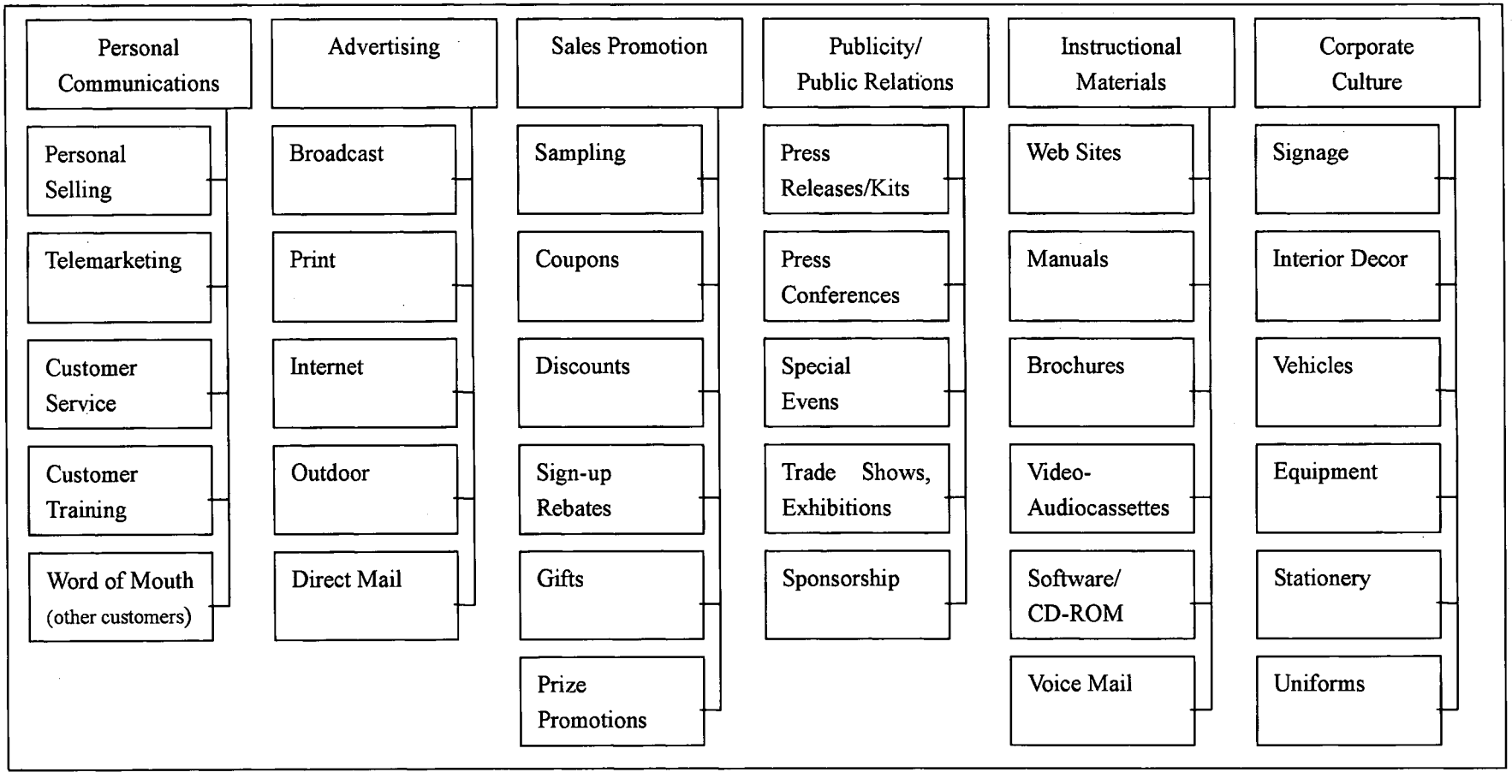
2.8.4 The marketing communications mix

Blythe (2004: 40) suggests that the marketing communications mix is the aggregate of all communication vehicles. As shown in Figure 2.7, there are six primary project classifications in the marketing communications mix for services, namely, personal communications, advertising, sales promotion, publicity or public relations, instructional materials and corporate culture.

2.8.4.1 Personal communications

Personal communications refer to the exchange of messages between two or more people who are face-to-face (Lovelock and Wright, 2007: 199). Personal communication has some obvious disadvantages, such as the high cost per contact, low reach, frequency and control over the message. In the subgroup of personal communication, word-of-mouth is a particular form of communication. It is only generated when one customer communicates with others. However, it can offer more credibility than other communications (Copley, 2004: 38).

Figure 2.7 The Marketing Communications Mix for Services



Source: Lovelock and Wright (2002: 199)

2.8.4.2 Advertising

According to Blythe (2006: 70), advertising is recognised as a fast medium that can convey information and build brand image through mass communications, which include television, radio, newspapers, magazines, trade journals, posters, and direct mail. Both message content and media/media vehicle effect are reviewed as two elements of brand image formation in advertising. Moreover, MacDonald and Smith (2004: 105) indicate that the most important function of advertising is to transmit the service organisations' promises.

2.8.4.3 Sales promotion

In order to facilitate the exchange process of goods and services in a particular period or target market, service organisations often utilise sales promotion as a communication strategy (Bovée *et al.*, 2004: 149). Furthermore, sales promotion can also offset some shortcomings of advertising (e.g. the general appearance). Sales promotion often uses a variety of different appeals to inform and educate customers (Angell, 2002: 112).

2.8.4.4 Publicity and public relations

To maintain and enhance brand image and capture more attention, service organisations often employ publicity and public relations as a strategy (Bruhn and Georgi, 2006: 203). Although public relations, as a mass communication, can be similar to advertising, it is actually different from advertising in terms of audience and purpose. Furthermore, publicity is more generally believable than advertising (Copley, 2004: 104).

2.8.4.5 Instructional materials and corporate design

When service employees are not available to introduce and interpret services to customers, instructional materials can solve many difficulties of customers, such as language, distance and time. Furthermore, the economic globalization and increasing information technologies boost the application and development of instructional

materials (Blythe, 2006: 148).

Corporate design means that companies show their brand identity through physical evidence. These physical evidences reveal the creditability and capacity of service organisations (Lovelock and Wright, 2002: 205).

2.9 CONCLUSION

The status of the intercity bus transport industry in South Africa has received attention in the literature. There is a great room for improvement in this industry in South Africa. Intercity bus transport must offer consistent and superior service to meet the demand of numerous local and international spectators for the 2010 World Cup. Also, various issues relating to service quality have been identified. The importance of customer expectations, perceptions and satisfaction has been discussed in terms of evaluating service quality. The potential causes of service quality gaps have been addressed. These gaps are important in assessing the customers' overall perception of what is expected against what is received. The SERVQUAL model based on the gap models has been explained. Finally, the understanding of marketing communication as the key to effective delivering service quality has also been explained. In Chapter 3, the research methodology will be discussed.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 INTRODUCTION

In chapter 2, an overview of the service quality in the intercity bus transport industry in South Africa, the SERVQUAL measurement theory, and marketing communication were described and examined. The information gained in that literature study was used to answer the first and second research questions respectively, namely: what are the current environmental conditions for the intercity bus transport industry relating to service delivery? and what is the function of communication in improving service delivery in the intercity bus transport industry?

To put the empirical findings into perspective, it is important to understand the research methodology followed. This chapter, therefore, provides the rationale for the research design, data collection, sampling method, questionnaire design, and data analysis. The empirical study helps to address the third objective of the study, namely: to measure the quality of the factors affecting the current service in intercity bus transport in South Africa with the SERVQUAL instrument.

3.2 RESEARCH DESIGN

Collis and Hussey (2003: 113) define research design as "the science (and art) of planning procedures for conducting studies so as to get the most valid findings". Since the choice of a right research design is a key step of the empirical study and the total success of the study, Jankowicz (2005:196) describes research design as "the deliberately planned arrangement of conditions for analysis and collection of data in a manner that aims to combine relevance to the research purpose with economy of procedure".

The purpose of the study was to examine the different dimensions of service quality and

then identify the critical elements of service quality in the current intercity bus transport industry in South Africa. The research, therefore, employed a descriptive study to investigate what factors influenced the service quality in this industry. Cooper and Schindler (2003: 149) state that descriptive research is a type of study which tries to find out who, what, when, where, or how much.

As a positivistic research, the study also utilised a cross-sectional study to obtain information under field conditions. Cross-sectional studies are inexpensive and the most frequently used descriptive design in marketing research. Collis and Hussey (2003: 61) state that cross-sectional studies are often used to investigate economic characteristics of large numbers of people or organisations when there are constraints of time or resources. Since Durban is one of the ten host cities of the 2010 FIFA World Cup, the research collected all data from passengers of Durban Bus Station from March 2007 to September 2007.

This amended SERVQUAL instrument was used as the primary instrument for measuring service quality. A questionnaire with 25 questions was the primary data collection method was used to explore the perceptions of quality service provided. From the measurement, service quality levels in the current intercity bus transport industry in South Africa were determined. This kind of information has practical implications for this industry as they can direct their resources to improving weak service dimensions and to refining their marketing efforts so that customer expectations are met by the service delivered.

3.3 POPULATION AND SAMPLING

Jankowicz (2005: 202) states that a good sample design not only helps identify the kind of data, but also leads to efficient and accurate data collection. Planning sample design, as a crucial step of the primary data collection in a positivistic research process,

involves three dimensions: the target population, sampling methods and sampling size (Churchill and Iacobucci, 2005: 41).

3.3.1 The target population

The target population refers the total that is made up from units falling into various subgroups in which the researcher might be interested. The selected sample, as a subset of the target population, provided data from which one can draw and make decisions about the larger group and fully reflect the population (Wegner, 2001:169). Fridah (2000) also describes sampling as "the act, process or technique of selecting a suitable sample or representative part of the population for the purposes of determining parameters or characteristics of the whole population". The target population in this research involved all commuters who used the intercity bus transport in South Africa.

3.3.2 Sampling size

In general, the larger the sample is, the better the results for research purposes. However, this generalisation does not fit all situations. To some extent, the size of an adequate sample depends on how homogeneous or heterogeneous the population is, in other words, how alike or different its members are. A heterogeneous population requires larger samples, whereas smaller samples are adequate for a homogeneous population (Leedy and Ormrod, 2005: 207-208).

According to Sekaran (2003: 294-295), sample sizes larger than 30 and less than 500 are appropriate for most research. Leedy and Ormrod (2005: 207) also believe that a sample size of 400 will be adequate if the target population size is beyond 5000. This research selected 400 passengers as respondents at the Durban Bus Station, including 350 South Africans and 50 foreigners.

3.3.3 Sampling method

There are various sampling methods which can be used to select a sample. Jankowicz (2005: 202-203) refers to two major categories of sampling, namely probability and non-probability sampling. Probability sampling is the most common technique when a survey needs to make inferences from the population. Non-probability sampling is impossible to reflect on the total population in terms of the researchers' subjective judgment. Leedy and Ormrod (2005: 206) also indicate that non-probability is quite subjective and the survey can produce acceptable results more quickly and at a low cost than a probability sampling.

This study employed a non-probability sampling method, since the researcher had no way of forecasting or guaranteeing that each element of the population could be identified in the sample. This preference also means choosing a sample in such a way that some members of the population have little or no chance of being selected.

In this research, another three types of non-probability sampling were employed. First, judgmental sampling was used to choose the place where the interviews are conducted. Curwin and Slater (2002: 52) state that the sample "is being used for illustrative purposes rather than statistical inference to the general population". In this case, the Durban Bus Station was selected as the sampling location. Two reasons for this choice are as follows:

- Durban is not only one of the ten cities of 2010 FIFA World Cup, but also one of the booming tourism markets; and.
- The route of intercity bus transport connects Durban with other cities and towns.

Secondly, convenience sampling, as the cheapest and easiest to conduct for the sample, was used to select respondents. Cooper and Schindler (2003: 201) suggest that this method is often used to test ideas or even to gain knowledge of situations or subjects of

interest, hence, the choice of convenience sampling by the researcher. During the data collection period, a total of 400 passengers at the Durban bus station were selected through the method of convenience sampling explained above.

Finally, quota sampling was used to seek respondents in the same proportions. This method is regarded as the most usual form of non-random sampling and does offer a cost- and time-effective solution for questionnaire-based research by the market research industry (Curwin and Slater, 2002: 50-51). Leedy and Ormrod (2005: 206) further indicate that it is a variation of convenience sampling. The sample included 350 South Africans and 50 foreigners in terms of the predicted proportion of 2.7 million local and 400,000 international spectators.

3.4 DATA COLLECTION

Churchill and Iacobucci (2005: 167) state that data collection is an important part of a problem solving process to clarify the purpose of any research. Various data collection techniques exist. Ferreira (2005: 1) states that primary data collection methods can be classified in three ways - surveys, observation and experiments. Surveys, where respondents are asked for their answers, are the method of choice in descriptive research studies. Descriptive studies concentrate on the population from which the sample has been drawn. As this is a quantitative study, the survey method has been used to gather primary data.

Hair, Bush and Ortinau (2000: 256) distinguish between four types of survey methods, namely, person-administered, telephone-administered, self-administered and computer-assisted surveys. This study will employ a person-administered survey which is regarded as the most appropriate data collection technique based on three advantages: more friendly contact, more orderly, and 100 percent response rate.

To collect responses at the Durban Bus Station, the researcher employed four students from Durban University of Technology and University of Port Elizabeth, respectively. The face-to-face questionnaire was administered by these trained fieldworkers during the selected weekends between 16 March 2007 and 10 September 2007.

3.5 QUESTIONNAIRE DESIGN

Collis and Hussey (2003: 173) state that a questionnaire is "a list of carefully structured questions, chosen after considerable testing, with a view to eliciting reliable responses from a chosen sample". Wegner (2001: 17) also believes that a questionnaire, as one of the most widely used survey data collection techniques, can be used to collect data in all interview situations. Questionnaires have several advantages:

- each respondent is asked the same questions;
- they can be administered at minimum cost;
- they provide an efficient way of collecting responses from a large sample prior to quantitative analysis; and
- the respondents remain anonymous and can provide a truthful answer without fear of victimization, and allows contact with inaccessible respondents such as CEO's;

Consequently, this research involved structured interviews through the use of structured questionnaires as a means of gathering information. Sekaran (2003: 227) states that structured interviews are interviews conducted when the information required is known in advance.

3.5.1 Questionnaire content

The relevant literature and survey instruments developed by past studies provided the basis for developing the questionnaire for this study. The instrumentation employed for this research was modelled after the SERVQUAL scale developed by Parasuraman et al. in 1994 since it has been supported with sufficient empirical research (Brady *et al.*,

2002: 26). In most cases, SERVQUAL has been found to be a relatively simple and inexpensive instrument that provides valuable information on an organisation's service quality. A number of researchers have applied the SERVQUAL model to measure service quality in the transport industry (Bebko, 2000: 13). Similarly, the present study utilised a modified version of the SERVQUAL instrument with 25 service quality attributes to prioritize the importance of the factors influencing service quality in the intercity bus transport industry in South Africa (see Appendix B).

The questionnaire consisted of five pages (see Appendix B). The first page is a cover section which explains the purpose of the study and instructions to the respondents. The other sections were divided into three parts. The first part was designed to measure the respondents' expectations regarding service quality in the intercity bus transport industry in South Africa. The second part of the questionnaire was designed to examine the respondents' perceptions of service quality actually provided by this industry in South Africa. The third part of the questionnaire consisted of demographic questions.

3.5.2 Question format and type

To improve the response rate, a closed question format was used consisting of short-structured statements. The data obtained by means of the expectations and perceptions questionnaires were gathered by requesting respondents to express their levels of expectation and agreement with the statements. To accomplish this request, a five-point Likert scale was used to score the questions. Scoring for the scale was follows: (1) strongly disagree, (2) disagree, (3) neutral, (4) agree and (5) strongly agree. The Likert scale is the most widely used form of scaled items where the respondent chooses a point on a scale that best represents his/her view (Leedy and Ormrod, 2005: 185). All the questionnaires were written in English, since the international language is suitable for the target population. The respondents remained anonymous through the self-administered questionnaire method.

3.5.3 Pre-testing

Pre-testing of the questionnaire is an important step in the entire research process. Churchill and Iacobucci (2005: 254) state that the real test of a questionnaire is how it performs under actual conditions of data collection. Pre-testing ensures that the questionnaire has been designed to perform the function it was intended for and that the data collected is relevant and accurate.

The process of the pre-test may be necessary to make amendments to the questionnaire and to test the face validity of the survey instrument. Firstly, the questionnaire was checked and evaluated by the supervisor of this study. Then an appropriate pre-testing study was conducted with ten postgraduate students of the Durban University of Technology (DUT). As local or international students, they are knowledgeable on the intercity bus transport industry. The results of pre-testing provided valuable information for avoiding ambiguous questions and the instrument were refined accordingly for the final stage in questionnaire construction.

3.6 DATA ANALYSIS

After the data have been collected, the next step in the research process is data analysis. The purpose of the analysis is to interpret and draw conclusion from the mass of collected data. The marketing researcher may apply a variety of techniques, beginning with simple frequency analysis (percentages) to sample statistics measures (mode, median, mean, range, standard deviation) to culminating in complex multivariate techniques (Hair et al., 2000: 42).

In this study investigation, the collected data ware analysed using a computerised statistical analysis (i.e. SPSS program version 14) and some appropriate descriptive and inferential analyses techniques in order to determine the factors that influence the service quality of the current intercity bus transport industry in South Africa. The whole

data analyses process included data preparation and various tests about the importance of different dimensions in service quality.

3.6.1 Data preparation

Data preparation includes editing, coding and data entry. To assure gathered data are accurate and complete, editing, as the first step in any analysis process, includes checking for interviewers and respondents mistakes and correcting the errors. Coding refers to the process of classifying raw data gathered and converting data to numerical codes for helping the researcher to make analysis more efficient. Data entry is an important step to analyse the responses from a large questionnaire survey using a computer statistics package (Copper and Schindler, 2003: 454-472).

In the process of editing, two questionnaires, which did not comply with the requirements, had to be discarded. To achieve the sample size of 400 respondents, another two replacement interviews were conducted before data entry. As discussed previously, all codes were established early in the research process since the questionnaire applied a closed question format. The pre-coding made the process of the coding and data entry clearer and smoother.

3.6.2 Data analysis and interpretation of the results

The researcher should choose the scale of measurement to ensure the proper statistical procedures before processing the data (Churchill and Iacobucci, 2005: 267). In this research, three different types of scales of measurement were used to recode and describe quantitative data.

A summary of the three measurement scales is as follow:

- Nominal scale – measures in terms of names or designations of discrete units or categories for the purpose of identification. Nominal data are data which have been

classified into named categories;

- Ordinal scale – measures in terms of such values as "more" or "less," "larger" or "smaller," but without specifying the size of the intervals. In short, Ordinal data is nominal data which has been ordered in some way; and
- Interval scale – measures in terms of equal intervals or degrees of difference but whose zero point, or point of beginning, is arbitrarily established. Most measures of human characteristics have interval properties. Interval data are data which are measured on a scale which determines exactly what the intervals are (Leedy and Ormrod, 2005: 25-27).

After the data collected were inputted and stored, they were carefully summarised and analysed by the use of statistical techniques. Since the purpose of statistics is different, statistical procedures have two major categories, namely, descriptive statistics and inferential statistics, respectively (Collis and Hussey, 2003: 196). The related statistical analysis process in the study was covered under the following headings:

3.6.2.1 Descriptive statistics

Descriptive statistics is used to identify or summarise the general nature of all the responses obtained. Descriptive statistics is the most useful technique to present and summarise the data in tables, charts, graphs and other diagrammatic forms. In this study, three main groups of descriptive statistics techniques (namely frequency, measures of location or central tendency, measures of dispersion) were used (Sekaran, 2003: 313).

A frequency is a numerical value which represents the total number of observations for a variable under study. A frequency distribution either gives a clearer impression of the characteristics of each set of scores or indicates the relationship between the two sets (Saunders *et al.,* 2003: 130). In this research, frequency distribution, as an economical way of organising the data, was used to obtain a profile of the sample.

However, for the purposes of describing the results and drawing inferences from the data, central tendency and dispersion are the most important descriptive parameters. A measure of central tendency is a convenient way of describing a large frequency distribution by means of a single value. The main measures of central tendency includes: the mean, the median, and the mode. The other is measure of dispersion which is a way of describing the spread of values in a data distribution. The measure of location and dispersion are often used together for obtaining a concise and useful description of the distribution of the data. The standard deviation is the most important measure of spread because it uses every value and is expressed in the same units as the original data (Copper and Schindler, 2003: 474-475).

3.6.2.2 Inferential statistics

According to Leedy and Ormrod (2005: 30), inferential statistics draw conclusions about a complete population by quantitative data collected from a sample. Inferential statistical analysis is used when ideas, hypotheses or predictions need to be tested. All measures of inferential statistics are divided into four groups in terms of estimating from samples, measuring association, measuring difference, and forecasting (Collis and Hussey, 2003: 197). In this research, some measures of the first three groups were used as follows:

Correlation

Correlation analysis examines the strength of the identified association between variables (Sekaran, 2003: 421). Pearson's correlation matrix indicates the direction, strength and significance of the bivariate relationship among the variables in the study (Blaikie, 2000: 391). In this study, intraclass correlation of the expectations and perceptions of quality dimensions were analysed, respectively. Furthermore, inter-correlations between expectations and perceptions of quality dimensions were discussed.

The t-test

The t-test is used to see if there are any significant differences in the means for two groups in the variable of interest (Sekaran, 2003: 376). In this study, the paired t-test was carried out to test the significant difference between the two means of expectations and perceptions.

Analysis of Variance (ANOVA)

McDaniel and Gates (2005: 315) indicate that ANOVA is a statistical procedure in order to look for differences among three or more means by comparing the variances both within and across groups. In this study, ANOVA was used to determine whether expectations and perceptions of service quality are influenced within the different age groups and region groups.

3.7 VALIDITY AND RELIABILITY

As with computer applications, the spreadsheet allows the researcher to save, store and easily update information as needed, as well as print information when required. Reducing the possibility of getting the wrong answers means that the researcher must pay attention to two particular criteria of research design: reliability and validity, hence the discussion that follows.

3.7.1 Validity

Validity and reliability are terms one encounters throughout the research process and are used primarily in connection with the measuring instruments. The validity of a measurement is the extent to which the instrument measures what it is actually intended to measure (Leedy and Ormrod, 2005: 28). According to De Vos (2002: 167), there are four types of validity. These are:

- Face validity – It refers to whether the statements are appropriate; it relies on the subjective judgment by the researcher;
- Content validity – It is the accuracy with which an instrument measures the

contents being studied;

- Criterion validity – It is determined by relating the performance of one measure against another with the second measure checking the accuracy of the first measure; and
- Construct validity – It is the degree to which the content of the study is actually measured by the questionnaire.

In this study, the above-mentioned validation methods were utilised. The researcher took the following actions to ensure validity:

- The development of the questionnaire was based on the SERVQUAL measurement theory, which was presented in chapter two;
- The questionnaire was subjected to academics and professionals in the field of Marketing, and the opinion of erudite individuals was taken into account in the form of a pilot study; and
- The questionnaire was subjected to a pilot group who had characteristics similar to those of the target group.

3.7.2 Reliability

According to Leedy and Ormond (2005: 29), reliability can be seen as the consistency of performance of a measuring instrument. This means that, apart from delivering accurate results, the measuring instrument must deliver similar results consistently. Saunders et al. (2003: 106) assert that there are four threats to reliability, namely:

- Subject error – choose a neutral time for respondents to complete the questionnaire;
- Subject bias – respondents may be answering what they thought the interviewer wanted to hear;
- Observer error – there are different approaches to eliciting answers; and
- Observer bias – as with observer error, with different people interpreting the same research, there may be different approaches to interpreting the replies.

Therefore, the researcher employed the following measures to ensure the reliability of the study under investigation:

- A pre-testing study of the questionnaire was to make certain that all questions and statements were both relevant and easily understood;
- The questionnaires of the study ensure the anonymity of the respondents;
- The researcher had trained all field workers so that they could conduct the interviews with the same approach;
- The questionnaires used a closed question format; and
- Cronbach alpha was calculated to measure the reliability of the measurement.

3.8 CONCLUSION

This chapter discussed research design, research methods, sampling design, questionnaire design, reliability and validity, and data analysis. The research was a descriptive research, utilising the amended SERVQUAL instrument to assess the current expectations and perceptions held by passengers with respect to the quality of services. The aim was to analyse the empirically gathered data and identify any gap between the expectations and perceptions of the respondents.

The findings from the empirical study will be discussed in Chapter 4. These findings will then address the third and fourth research questions respectively, namely: What is required for improving the service quality in the intercity bus transport industry? and how can the results improve the quality of service for the SA intercity bus transport industry in 2010 and beyond?

CHAPTER FOUR
FINDINGS OF THE EMPIRICAL RESEARCH

4.3 INTRODUCTION

In Chapter three, the research design, data collection methods, and questionnaire design were discussed. The purpose of this chapter is to present and interpret the findings of the empirical study. Descriptive statistics and inferential statistics are used to explore the relationship between these factors and service quality of the intercity bus transport industry in South Africa, respectively. All statistical results of the empirical study are from the statistical computer programme SPSS version 14.

First of all, this chapter analyses all demographic information (see Section C of the questionnaire) obtained from 400 respondents who chose the intercity bus transport industry in South Africa. Secondly, a detailed analysis of the findings relating to Section A and Section B of the questionnaires is explained. Thereafter, the chapter focuses on analysing the means gap in terms of the different factors. Eventually, correlation analysis, T-test and the ANOVA test are used to determine relationships or differences of the factors influencing the service quality of the intercity bus transport industry in South Africa.

4.2 DEMOGRAPHIC DETAILS OF RESPONDENTS

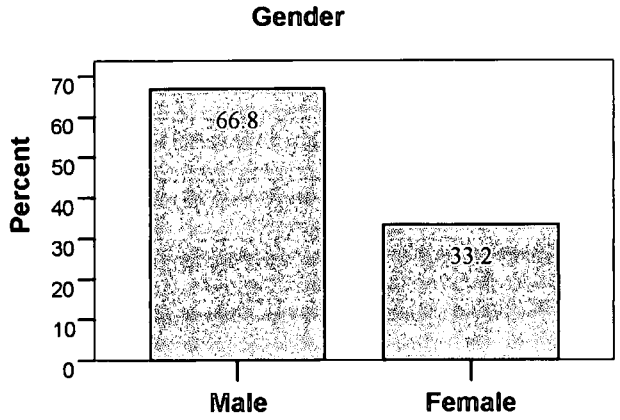
This section describes the demographic profile of respondents, including gender, age, and regional distribution of 400 respondents. The detailed information is explained as follows:

4.2.1 Gender

As shown in Figure 4.1, the percentage of male respondents was 66.8%, while the percentage of female respondents was 33.2%. The sample of bus passengers comprised

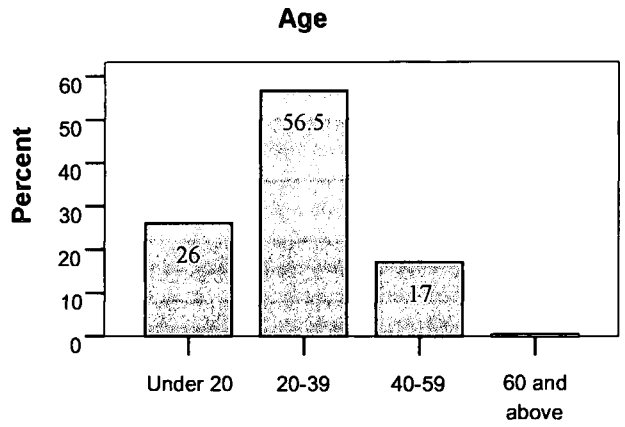
more males (267) than females (133).

Figure 4.1 Gender of respondents



4.2.2 Age

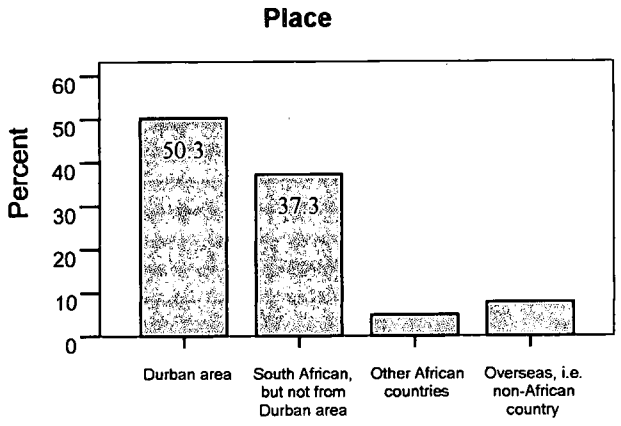
Figure 4.2 Age of respondents



As indicated in Figure 4.2, 56.5% (226) of the respondents are in the 20-39 age group, followed by 26% (104) in the under 20 age group, 17% (68) in the 40-59 age group and 0.5% (2) of the respondents are 60 years and above. The demographic age profile of this study demonstrates that the 20 to 39 age group is the dominant group. In addition, the results could imply that a great number of older persons would rather choose other means of conveyance than the intercity bus transportation in South Africa.

4.2.3 Regional distribution

Figure 4.3 Respondents by regional distribution



As reflected in Figure 4.3, 50.3% (201) of the respondents are from the Durban area, 37.3% (149) are South Africans but not from the Durban area and 4.8% (19) of the respondents are from other African countries, while 7.8% (31) are overseas residents, but not Africans.

4.3 COMPREHENSIVE STATISTICS OF STATEMENTS

The research on measuring service quality has focused primarily on meeting or exceeding customers' expectations. The following sections are comprehensive statistics of the original 25 statements with reference to customer service. All the statements are measured on five-point scales ranging from "1=strongly agree" to "5=strongly disagree".

4.3.1 Statement 1: The ticket office is attractive

The data reflected in Table 4.1 reveal the expectations and perceptions of respondents in this study in terms of the attractiveness of ticket offices. The expectations to the statement are the follows: 9% (strongly disagree), 16.8% (disagree), 25.2% (neutral), 32% (agree), and 17% (strongly agree). The relevant perceptions are as follows: 5.5% (strongly disagree), 29.2% (disagree), 35.8% (neutral), 20.5% (agree), and 9% (strongly

agree). Almost half of the respondents (49%) expect that the ticket office should be attractive. However, the perception shows that 35.8% of respondents were uncertain.

Table 4.1 Ticket office is attractive

Option	Expectation Percent	Perception Percent
Strongly disagree	9.0	5.5
Disagree	16.8	29.2
Neutral	25.2	35.8
Agree	32.0	20.5
Strongly Agree	17.0	9.0
Total	100.0	100.0

4.3.2 Statement 2: Bus companies are equipped with modern technology

The aim of statement 2 is to gain the customers' perceptions of the modernity of those bus companies' equipment. As shown in Table 4.2, the perceptions of respondents are as follows: 4.5% (strongly disagree), 23.5% (disagree), 39.5% (neutral), 24% (agree), and 8.5% (strongly agree). More than half of respondents (51.5%) expect that those intercity bus companies should provide more advanced facilities. In fact, 39.5% of respondents' perceptions were uncertain.

Table 4.2 Bus companies are equipped with modern technology

Option	Expectation Percent	Perception Percent
Strongly disagree	3.0	4.5
Disagree	16.2	23.5
Neutral	29.3	39.5
Agree	32.5	24.0
Strongly Agree	19.0	8.5
Total	100.0	100.0

4.3.3 Statement 3: The ticket office has adequate resource and capacity

The aim of statement 3 is to determine the customer's perceptions of the physical resources. This element is of particular interest to the researcher as a host country for 2010 FIFA World Cup should and must have sufficient resources and capacity to meet an emergency.

As shown in Table 4.3, the perceptions to statement 3 are as follows: 4.2% (strongly

disagree), 28% (disagree), 41% (neutral), 21.5% (agree), and 5.3% (strongly agree). Although, over half of the respondents (52.3%) expect that intercity bus companies should support more resources. The perceptions indicate that 32.2% of the respondents were dissatisfied and 41% of them were uncertain. The results imply that more experienced staff and advanced facilities should be prepared to improve service delivery for 2010 FIFA World Cup.

Table 4.3 Ticket office has adequate resource and capacity

Option	Expectation Percent	Perception Percent
Strongly disagree	3.2	4.2
Disagree	13.2	28.0
Neutral	31.3	41.0
Agree	38.0	21.5
Strongly Agree	14.3	5.3
Total	100.0	100.0

4.3.4 Statement 4: Bus companies have a professional appearance

Statement 4 aims to assess the appearance of these intercity bus companies that provide service to their customers. Table 4.4 reveals that 42.5% of the respondents were satisfied with this statement, 37.5% are uncertain, and 20% of them were disappointed. Although the percentages of the perceptions are less than the expectations, the results exhibit that a large percentage of respondents are in agreement with statement 4.

Table 4.4 Bus companies have a professional appearance

Option	Expectation Percent	Perception Percent
Strongly disagree	2.2	4.5
Disagree	10.0	15.5
Neutral	26.0	37.5
Agree	40.0	32.0
Strongly Agree	21.8	10.5
Total	100.0	100.0

4.3.5 Statement 5: The dress of staff is neat and smart

As stated in the literature study (see section 2.7.1.2), the neat appearance of employees is an important factor to the customer in his/her assessment of the service provided. As indicated in Table 4.5, 41% of the respondents agree that the dress of staff is neat in

appearance, 32.5% of the respondents were uncertain, and 26.5% of them disagree with the statement.

Table 4.5 The dress of staff is neat and smart

Option	Expectation Percent	Perception Percent
Strongly disagree	2.0	3.0
Disagree	12.0	23.5
Neutral	29.5	32.5
Agree	28.5	27.8
Strongly Agree	28.0	13.2
Total	100.0	100.0

4.3.6 Statement 6: The bus always arrives at the destination on time

The response to statement 6 indicates that the intercity bus companies lead in terms of the fulfillment of promises. The expectations to the statement in Table 4.6 are as follows: 7.8% (strongly disagree), 11.8% (disagree), 36% (neutral), 29.8% (agree), and 14.6% (strongly agree). The relevant perceptions are as follows: 14.3% (strongly disagree), 37.3% (disagree), 29.3% (neutral), 14% (agree), and 5.1% (strongly agree). More than half of the respondents (51.6%) disagree with this statement. At the same time, it is interesting to note that the expectations show that 36% of respondents were uncertain. The results suggest that there is room for improvement in this regard.

Table 4.6 Bus always arrives at the destination on time

Option	Expectation Percent	Perception Percent
Strongly disagree	7.8	14.3
Disagree	11.8	37.3
Neutral	36.0	29.3
Agree	29.8	14.0
Strongly Agree	14.6	5.1
Total	100.0	100.0

4.3.7 Statement 7: The bus never breaks down on the road

The data, as reflected in Table 4.7, reveal the expectations and perceptions of respondents in terms of the fault indicator of buses. The "neutral" scores of expectations (34%) and perceptions (41.8%) of the respondents indicate that intercity bus companies should place a greater emphasis on this element of service.

Table 4.7 Bus never breaks down on the road

Option	Expectation Percent	Perception Percent
Strongly disagree	8.0	9.7
Disagree	13.3	21.0
Neutral	34.0	41.8
Agree	30.0	20.0
Strongly Agree	14.7	7.5
Total	100.0	100.0

4.3.8 Statement 8: Customers can easily book a ticket for their journey

Statement 8 aims to determine whether customers can easily book a ticket for their journey. As can be seen from the Table 4.8, 68% of the respondents expect that they can simply and successfully book a ticket. In fact, almost half of respondents (44.6%) agree with the statement. Most of African people knew that they can find a sales counter in some special chain stores (e.g. Checkers). However, it is interesting to note that 34.3% of respondents are not convinced. The results imply that intercity bus companies should ensure that promises made to customers can be delivered within the time and conditions specified.

Table 4.8 Customers can easily book a ticket for their journey

Option	Expectation Percent	Perception Percent
Strongly disagree	1.8	5.3
Disagree	7.8	15.8
Neutral	22.4	34.3
Agree	32.0	25.6
Strongly Agree	36.0	19.0
Total	100.0	100.0

4.3.9 Statement 9: Staff satisfy customers' requests right the first time

As shown in Table 4.9, 6% of customers strongly disagree with the statement, 18% disagreeing, 34.3% being uncertain, 32.7% agreeing, and 9% strongly agreeing. The percentage of the relevant expectation is far more than half (61.2%). The results explain that the performance of staff is quite important. Failure to meet this expectation can lead to customers' dissatisfaction.

Table 4.9 Staff satisfy customers' requests right the first time

Option	Expectation Percent	Perception Percent
Strongly disagree	3.5	6.0
Disagree	8.5	18.0
Neutral	26.8	34.3
Agree	40.0	32.7
Strongly Agree	21.2	9.0
Total	100.0	100.0

4.3.10 Statement 10: The timetable in the bus company's website is error-free

The purpose of statement 10 is to assess the veracity of the timetable in the bus companies' website. As can be seen from Table 4.10, the percentage of "Neutral" response for expectations and perceptions are 45.3 % and 53.5%, respectively. It is known that information communication technology infrastructure in most African countries was not adequate to cope with a global information network. The results not only reveal that there is room for improvement in this regard, but also prove that the internet is underutilised in South Africa.

Table 4.10 The timetable in the bus company's website is error free

Option	Expectation Percent	Perception Percent
Strongly disagree	3.8	6.5
Disagree	12.3	24.0
Neutral	45.3	53.5
Agree	25.3	10.8
Strongly Agree	13.3	5.2
Total	100.0	100.0

4.3.11 Statement 11: Bus companies always inform people of change of timetable and prices in advance

Statement 11 aims to assess whether intercity bus companies can show a sincere interest in problem-solving. The responses were highly negative. Almost half of the respondents (49.8%) were quite disappointed. Only 20.4% of the respondents agree with the statement. Moreover, the expectation shows that 38.5% of respondents were not convinced. The results suggest that intercity bus companies neglect this important element in the service delivery process.

Table 4.11 Bus companies always inform people of change of timetable and prices in advance

Option	Expectation Percent	Perception Percent
Strongly disagree	6.2	9.3
Disagree	11.0	40.5
Neutral	38.5	29.8
Agree	29.0	14.8
Strongly Agree	15.3	5.6
Total	100.0	100.0

4.3.12 Statement 12: Bus companies can provide timely and efficient service

Statement 12 aims to determine whether prompt service is provided. The perceptions to the statement in Table 4.12 are as follows: 5.3% (strongly disagree), 19.5% (disagree), 47.3% (neutral), 21.5% (agree), and 6.4% (strongly agree). Almost half of the respondents (47.3%) were uncertain. The results indicate that intercity bus companies should place a greater emphasis on this element of service.

Table 4.12 Bus companies can provide timely and efficient service

Option	Expectation Percent	Perception Percent
Strongly disagree	4.0	5.3
Disagree	9.0	19.5
Neutral	29.0	47.3
Agree	41.5	21.5
Strongly Agree	16.5	6.4
Total	100.0	100.0

4.3.13 Statement 13: Communication with customers is clear and helpful

The data in Table 4.13 reveal the expectations and perceptions of respondents in this project in terms of the technique of using words effectively while staff dealt with customers. Although the expectations to the statement are quite high (58.6%), it is interesting to note that 34.8% of the respondents were not convinced that. The main reason is that most staff cannot master two or more second languages at the same time in South Africa with 11 official languages. This finding is in line with the previous literature (see section 2.24). The results suggest that intercity bus companies should be more concerned about the visual communication to improve service delivery for the

2010 FIFA World Cup.

Table 4.13 Communication with customers is clear and helpful

Option	Expectation Percent	Perception Percent
Strongly disagree	3.4	3.0
Disagree	17.0	17.3
Neutral	21.0	34.8
Agree	38.3	35.3
Strongly Agree	20.3	9.6
Total	100.0	100.0

4.3.14 Statement 14: Staff are always willing to help customers

Table 4.14 reveals the expectations and perceptions of respondents in this project in terms of responsiveness of staff. As shown from the above table, the "Neutral" scales of expectations and perceptions of the respondents are dominant, totally to 35.3% and 46.3%, respectively. The results suggest that intercity bus companies should train staff to champion customers' individual rights.

Table 4.14 Staff are always willing to help customers

Option	Expectation Percent	Perception Percent
Strongly disagree	3.8	2.0
Disagree	13.0	19.3
Neutral	35.3	46.3
Agree	30.3	22.4
Strongly Agree	17.6	10.0
Total	100.0	100.0

4.3.15 Statement 15: Staff can provide complete answers when they attend to customers' requests

The aim of statement 15 is further estimate the influence of the knowledge and enthusiasm of staff. The expectations to the statement in Table 4.15 are as follows: 3.8% (strongly disagree), 10% (disagree), 32.4% (neutral), 36% (agree), and 17.8% (strongly agree). The relevant perceptions are as follows: 4.3% (strongly disagree), 17.3% (disagree), 42.4% (neutral), 28% (agree), and 8% (strongly agree). As with attribute 14, the neutral point of the scale is high. The results suggest that intercity bus companies should consider the changes to practice which are necessary to enhance the

accessibility of the bus service.

Table 4.15 Staff can provide complete answers when they attend to customers' requests

Option	Expectation Percent	Perception Percent
Strongly disagree	3.8	4.3
Disagree	10.0	17.3
Neutral	32.4	42.4
Agree	36.0	28.0
Strongly Agree	17.8	8.0
Total	100.0	100.0

4.3.16 Statement 16: Customers feel safe in their transactions with staff in the ticket office

As shown in Table 4.16, more than half of the respondents (60.8%) agreed that they feel safe in their dealings with staff in the ticket office. Customers' responses were fairly positive. However, 23% of the respondents were unsure, as indicated by the "neutral" responses. This result reflects well on this aspect of the quality of service delivery in the intercity bus transportation industry in South Africa.

Table 4.16 Customers feel safe in their transactions with staff in the ticket office

Option	Expectation Percent	Perception Percent
Strongly disagree	2.1	4.0
Disagree	8.3	12.2
Neutral	25.3	23.0
Agree	27.5	33.3
Strongly Agree	36.8	27.5
Total	100.0	100.0

4.3.17 Statement 17: Customers feel safe in their transactions with staff on the bus

The purpose of statement 17 is to further determine the security while customers dealt with staff on the bus. As shown in Table 4.17, almost half of respondents (45.8%) agreed with the statement. In contrast to perceptions of statement 16, however, the increasing percentages of "Neutral" (27.2%), "Disagree" (22%) and "strongly disagree" (5%) show that most of the respondents believed that security in the ticket office is better than on the bus. The results suggest that the security on the bus needs be more

concerned.

Table 4.17 Customers feel safe in their transactions with staff on the bus

Option	Expectation Percent	Perception Percent
Strongly disagree	3.8	5.0
Disagree	11.5	22.0
Neutral	24.2	27.2
Agree	35.0	33.5
Strongly Agree	25.5	12.3
Total	100.0	100.0

4.3.18 Statement 18: Staff are always polite

Table 4.18 reveals the expectations and perceptions of respondents in this project in terms of courtesy of staff in the intercity bus transportation industry. More than half of the respondents (50.3%) agreed with the statement. The result is similar to the percentage of customers' expectation (58.8%). The findings suggest that intercity bus companies should boost customers' expectations with regard to politeness of staff.

Table 4.18 Staff are always polite

Option	Expectation Percent	Perception Percent
Strongly disagree	4.7	4.7
Disagree	11.2	18.8
Neutral	25.3	26.2
Agree	24.8	29.3
Strongly Agree	34.0	21.0
Total	100.0	100.0

4.3.19 Statement 19: Staff have in-depth occupational knowledge of their jobs

The data in Table 4.19 reveal the expectations and perceptions of respondents in this project in terms of occupational knowledge of staff. The percentages of agree and strongly agree to the statement are high. Over half of the respondents (58.6%) expect that staff should be more professional. However, the relevant perceptions show that 43.3% of the respondents were undecided with respect to this statement. The results reflect the need for the intercity bus transportation industry to further investigate staff training needs.

Table 4.19 Staff have in-depth occupational knowledge of their jobs

Option	Expectation Percent	Perception Percent
Strongly disagree	2.6	5.6
Disagree	9.3	17.3
Neutral	29.5	43.3
Agree	46.8	26.0
Strongly Agree	11.8	7.8
Total	100.0	100.0

4.3.20 Statement 20: The behaviour of staff instils confidence in the customers

The aim of statement 20 is estimate whether the behaviour of staff can be accepted. As shown from Table 4.20, the expectations to the statement are high (55%). However, as in the case of the occupational knowledge statement, the majority of respondents (54%) indicate that customers were not sure. The results suggest that further investigation would be of value.

Table 4.20 The behaviour of staff instils confidence in the customers

Option	Expectation Percent	Perception Percent
Strongly disagree	2.0	3.3
Disagree	8.8	14.1
Neutral	34.2	54.0
Agree	41.0	22.3
Strongly Agree	14.0	6.3
Total	100.0	100.0

4.3.21 Statement 21: Bus companies always look after the best interests of their customers

Statement 21 aims to determine whether intercity bus companies paid more attention to their customers. As shown in the Table 4.21, almost half of the respondents (45%) were uncertain. Also, the "Neutral" responses for expectations indicate that 37% of respondents did not have a high expectation on the statement. The results suggest that there is a room for improvement on this aspect of service delivery.

Table 4.21 Bus companies always look after the best interests of their customers

Option	Expectation Percent	Perception Percent
Strongly disagree	4.3	6.0
Disagree	10.0	27.5
Neutral	37.0	45.0
Agree	35.2	14.3
Strongly Agree	13.5	7.2
Total	100.0	100.0

4.3.22 Statement 22: Bus companies have operating hours convenient to all their customers

In Table 4.22, the data reveal the expectations and perceptions of respondents in this project in terms of convenience of operation hours. The expectations to the statement are as follow: 3.8% (strongly disagree), 12% (disagree), 39.8% (neutral), 31% (agree), and 13.4% (strongly agree). A total of 2 out of 5 respondents were uncertain that intercity city bus companies can provide reasonable and convenient operation hours for their journey. In fact, the customers' perceptions also indicate that 36.8% of the respondents disagreed that operating hours are convenient. 16.3% of the respondents were completely disappointed. The percentage of "Strongly disagree" was even more than the percentage of "Agree" (15.3%). The results suggest that the intercity bus transportation industry should pay more attention to the extended hours of operation for improvement on this aspect of service delivery.

Table 4.22 Bus companies have operating hours convenient to all their customers

Option	Expectation Percent	Perception Percent
Strongly disagree	3.8	16.3
Disagree	12.0	36.8
Neutral	39.8	24.5
Agree	31.0	15.3
Strongly Agree	13.4	7.1
Total	100.0	100.0

4.3.23 Statement 23: Getting information about the facilities and services of bus companies is easy

The purpose of statement 23 is to assess whether customers can easily gain information

while they choose from other means of transportation. As in the case of the previous statement, more than half of the respondents (56.8%) expressed difficulty in finding available information about intercity bus transport companies. As can be seen in Table 4.23, the perceptions to the statement are as follows: "Neutral" (23.4%), "Agree" (11.5%) and "Strongly agree" (8.3%). This finding is in line with the earlier literature (see section 2.4.3.2 and section 2.8). The results reflect that external communication not only influences customers' expectations but is also an important factor to influence service delivery.

Table 4.23 Getting information about the facilities and services of bus companies is easy

Option	Expectation Percent	Perception Percent
Strongly disagree	3.5	19.5
Disagree	10.8	37.3
Neutral	34.3	23.4
Agree	37.3	11.5
Strongly Agree	14.1	8.3
Total	100.0	100.0

4.3.24 Statement 24: It is easy to find and access the ticket office

Statement 24 aims to determine whether the intercity bus service is accessible to their customers. The expectations to the statement as shown in Table 4.24 are fairly high. More half of respondents (58.6%) expect that they can easily to find and access the ticket office. However, the sum of the percentage (23.6%) for "Agree" (14.3%) and "Strongly agree" (9.3%) were less than the percentage for "Disagree" (29.3%). The results suggest that the intercity bus transport industry should encourage customers to access their ticket office.

Table 4.24 It is easy to find and access the ticket office

Option	Expectation Percent	Perception Percent
Strongly disagree	3.3	10.5
Disagree	11.6	29.3
Neutral	26.5	36.6
Agree	39.3	14.3
Strongly Agree	19.3	9.3
Total	100.0	100.0

4.3.25 Statement 25: Staff can provide individualized attention to help customers

Statement 25 reveals that the expectations and perceptions of respondents in this project in terms of individualised attention of staff. As indicated in Table 4.25, the expectations to the statement are as follows: 3.8% (strongly disagree), 9.5% (disagree), 27.8% (neutral), 41.3% (agree), and 17.6% (strongly agree). However, 45.5 percent of the customers surveyed seem undecided that, as shown by the "Neutral" responses. The results suggest that the intercity bus transportation industry should further improve this element of service.

Table 4.25 Staff can provide individualized attention to help customers

Option	Expectation Percent	Perception Percent
Strongly disagree	3.8	5.8
Disagree	9.5	19.5
Neutral	27.8	45.5
Agree	41.3	19.2
Strongly Agree	17.6	10.0
Total	100.0	100.0

4.4 GAP ANALYSIS

As stated in the literature review, there are five dimensions in evaluating overall service quality. In this section of the chapter, the data analyses focus on the mean gap scores on the expectations and perceptions scales for each of the modified 25 service quality attributes and the five related factors.

4.4.1 Factor - 1: Tangibles

The quality dimension is related to physical facilities, equipment, and appearance of personnel of the service delivery. As presented in Table 4.26, the expectation mean scores (M=3.69) of the two statements are identical, namely "bus companies have a professional appearance" and "the dress of staff is neat and smart". The expectation mean scores of "bus companies are equipped with modern technology" (M=3.48) is similar with "ticket office has adequate resource and capacity" (M=3.47). The statement, which has the relatively low expectation score (M=3.31), is "ticket office is

attractive". The perceptions scores are consistently lower than the expectations scores. The highest perception score (M=3.29) of a statement is "bus companies have a professional appearance", while the lowest (M=2.96) was "ticket office has adequate resource and capacity".

A comparison of the mean expectation and perception indicates a large difference between the dimensions. The largest gap (G=0.51) is found in the service quality statement "ticket office has adequate resource and capacity". The smallest gap (G=0.33) was for "ticket office is attractive".

Table 4.26 Factor-1 Tangibles

Statements	Expectations Mean (SD)	Perceptions Mean (SD)	Gap PM-EM
Ticket office is attractive.	3.31 (1.20)	2.98 (1.04)	-0.33
Bus companies are equipped with modern technology.	3.48 (1.07)	3.09 (1.00)	-0.39
Ticket office has adequate resource and capacity.	3.47 (1.00)	2.96 (0.94)	-0.51
Bus companies have a professional appearance.	3.69 (0.99)	3.29 (1.00)	-0.40
The dress of staff is neat and smart.	3.69 (1.07)	3.25 (1.05)	-0.44

4.4.2 Factor - 2: Reliability

These statements were to assess the reliability of service quality of the intercity bus transport companies. As can be seen in Table 4.27, the three statements had very similar expectation scores, namely, "the bus always arrives at the destination on time" (M=3.32), "the bus never breaks down on the road" (M=3.30), and "the timetable in the bus company's website is error free" (M=3.33). The statement, which has the highest

expectation score (M=3.93), is "easily book a ticket". It is interesting to note that the highest and the lowest expectations score among the total of 25 statements belong to the dimension of service quality.

The perceptions scores show significant differences in the group. The highest perception score (M=3.38) of an attribute is "easily book a ticket", while the lowest (M=2.59) was "always arrives at the destination on time". Compared with the mean gap scores, the largest gap (G=0.73) is for the service quality statement such as "the bus always arrives at the destination on time". The smallest gap (G=0.35) was on the statement "the bus never breaks down on the road".

Table 4.27 Factor-2 Reliability

Statements	Expectations Mean (SD)	Perceptions Mean (SD)	Gap PM-EM
The bus always arrives at the destination on time.	3.32 (1.10)	2.59 (1.06)	-0.73
The bus never breaks down on the road.	**3.30** (1.12)	2.95 (1.05)	-0.35
Customers can easily book a ticket for their journey.	**3.93** (1.03)	3.38 (1.12)	-0.55
Staff satisfy customers' requests right the first time.	3.67 (1.01)	3.21 (1.03)	-0.46
The timetable in the bus company's website is error free.	3.33 (0.98)	2.84 (0.89)	-0.49

4.4.3 Factor - 3: Responsiveness

Statements in this factor primarily described the willingness of the intercity bus companies to help customers and provide prompt service, as well as the employees' skills and abilities to interact with people. As seen in Table 4.28, there were significant differences on both the expectation scores and the perception scores. The expectation

scores ranged between 3.36 and 3.54, while the perception scores ranged between 2.67 and 3.32.

It is interesting to note that the statement "bus companies always inform people of change of timetable and prices in advance" has both the lowest expectation score (M=3.36) and the lowest perception score (M=2.67) in this group respectively. Moreover, the largest gap (G=0.69) is also recorded for the above statement. The results imply that the intercity bus companies lack necessary emergency measures to correct their mistakes in service delivery.

Table 4.28 Factor-3 Responsiveness

Statements	Expectations Mean (SD)	Perceptions Mean (SD)	Gap PM-EM
Bus companies always inform people of change of timetable and prices in advance.	3.36 (1.07)	2.67 (1.02)	-0.69
Bus companies can provide timely and efficient service.	3.58 (1.00)	3.05 (0.94)	-0.53
Communication with customers is clear and helpful.	3.55 (1.10)	3.32 (0.97)	-0.23
Staff are always willing to help customers.	3.45 (1.04)	3.19 (0.93)	-0.26
Staff can provide complete answers when they attend to customers' requests.	3.54 (1.02)	3.18 (0.96)	-0.36

4.4.4 Factor - 4: Assurance

These statements were related to assurance of service quality. As shown in Table 4.29, the respondents had the same and relatively low expectations score (M=3.56) on the two statements, namely, "staff have in-depth occupational knowledge of their jobs" and "The behaviour of staff instils confidence in the customers".

By comparison, the smallest gap (G=0.20) is also on the statement "customers feel safe in their transactions with staff in the ticket office". At the same time, the statement has the highest perception score (M=3.68) among 25 statements and the highest expectation score (M=3.88) in this group. The result is pleasing for the intercity bus companies since South Africa is reputed to be one of the countries with high crime rates.

Table 4.29 Factor-4 Assurance

Statements	Expectations Mean (SD)	Perceptions Mean (SD)	Gap PM-EM
Customers feel safe in their transactions with staff in the ticket office.	3.88 (1.07)	**3.68** (1.12)	**-0.20**
Customers feel safe in their transactions with staff on the bus.	3.67 (1.09)	3.26 (1.09)	-0.41
Staff are always polite.	3.72 (1.18)	3.43 (1.15)	-0.29
Staff have in-depth occupational knowledge of their jobs.	3.56 (0.91)	3.13 (0.98)	-0.43
The behaviour of staff instils confidence in the customers.	3.56 (0.91)	3.14 (0.83)	-0.42

4.4.5 Factor - 5: Empathy

These attributes in Table 4.30 are to evaluate the empathy dimension of service quality of the intercity bus transport companies. Two statements in this factor, namely "it is easy to find and access the ticket office" and "staff can provide individualized attention to help customers", have relatively high expectation scores and the values are equal (M=3.60). The expectation score for "getting information about the facilities and services of bus companies is easy" is the lowest (M=3.39) in this dimension of service quality. Four statements in this factor have relatively low perception scores (M=2.89). The highest perception score (M=3.08) is for the statement "staff can provide individualized attention to help customers", while the lowest score (M=2.52) is for the

statement "getting information about the facilities and services of bus companies is easy".

When comparing five attributes gap scores, it was seen that the biggest gap scores (M=0.96) of these five attributes is for the statement which has the lowest expectation and perception scores. Simultaneously, this gap is also the largest among 25 gaps.

Table 4.30 Factor-5 Empathy

Statements	Expectations Mean (SD)	Perceptions Mean (SD)	Gap PM-EM
Bus companies always look after the best interests of their customers.	3.44 (0.99)	2.89 (0.97)	-0.55
Bus companies have operating hours convenient to all their customers.	3.39 (0.99)	2.61 (1.14)	-0.78
Getting information about the facilities and services of bus companies is easy.	3.48 (0.98)	**2.52** (1.17)	**-0.96**
It is easy to find and access the ticket office.	3.60 (1.03)	2.83 (1.09)	-0.77
Staff can provide individualized attention to help customers.	3.60 (1.01)	3.08 (1.01)	-0.52

4.4.6 Comparison of quality dimensions

Table 4.31 aims to determine the means gap between expectation and perception with regard to five service dimensions. As can be seen among the five dimensions, expectations for the intercity bus transportation industry are highest for "assurance" (M=3.52) - a dimension that covers the issues of competence, courtesy, credibility and security. Expectation for this industry is lowest for "empathy" (M=3.49). The means for five factors in the perception section for intercity bus transportation industry are

relatively low. Expectation for this industry is highest for "responsiveness" (M=3.49). The lowest perception is still for "empathy" (M=2.80).

Table 4.31 Comparison of quality dimensions

Dimension	Expectations Mean (SD)	Perceptions Mean (SD)	Gap PM-EM
Tangibles	3.5125 (0.873)	3.1125 (0.841)	-0.4000
Reliability	3.5075 (0.759)	2.9700 (0.735)	-0.5375
Responsiveness	3.5200 (0.855)	3.5200 (0.855)	0.0000
Assurance	3.6925 (0.860)	3.3175 (0.877)	-0.3750
Empathy	3.4900 (0.739)	2.8000 (0.867)	-0.6900

In examining the mean gap scores of service expectation and perception, one can observe that "responsiveness" is lowest (G=0) and in equilibrium between the expectation and perception of service quality. However, this finding does not mean that "responsiveness" is not important. This finding simply means that "responsiveness" is relatively less important in comparison with the other factors that respondents were asked about in the survey.

The highest gap scores of customers on attributes is the "empathy" dimension of transport services making up information flow and communication. As stated in the literature (see Table 2.1), the low "empathy" is not due to the shortage of individualized attention to customers but to some other factors like the lack of communication between customers and employees. The same result between three groups (Expectation Mean, Perception Mean, and PM-EM) show that "empathy" and "reliability" are the two most

important factors affecting this industry.

4.5 CENTRAL TENDENCY STATISTICS

4.5.1 Central tendency statistics on expectation of service dimensions

Interpretation:

The measurement scale code is interpreted as: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree. The central tendency statistical results of the expectation of quality as follows:

Table 4.32 Central tendency statistics: expectation of five service dimensions

		EV1:Tangibles	EV2 : Reliability	EV3 : Responsiveness	EV4 : Assurance	EV5 : Empathy
N=400	Valid	400	400	400	400	400
	Missing	0	0	0	0	0
Mean		3.5125	3.5075	3.5200	3.6925	3.4900
Median		4.00	4.00	4.00	4.00	3.00
Mode		4	4	4	4	3
Std. Deviation		.873	.759	.855	.860	.739
Variance		.762	.576	.731	.740	.546
Range		4	4	4	4	4
Minimum		1	1	1	1	1
Maximum		5	5	5	5	5

1) Mean

The mean results are as follows:

- The expectation mean values for tangibles, reliability, responsiveness, and assurance are 3.5125, 3.5075, 3.5200, and 3.6925, respectively. These values reveal that the respondents, who articulated average expectation, agree with the above mentioned study variables.
- The expectation of empathy has a mean value 3.4900. The result reveals that the respondents have articulated an average expectation of neutral towards the above mentioned study variable.

2) Median

- The expectations for tangibles, reliability, responsiveness, and assurance have median value of 4.00, which indicates that 'agree' is the median opinion of the respondents.
- The expectation for empathy has a median value of 3.00, which indicates that 'neutral' is the median opinion of respondents.

3) Mode

- The expectations for tangibles, reliability, responsiveness, and assurance have mode value of 4.00, which indicates that 'agree' is the mode expectation of respondents.
- The expectation of empathy has mode value of 3.00, which indicates that 'neutral' is the mode expectation of respondents.

4) The Standard Deviation

The expectations for tangibles, reliability, responsiveness, assurance, and empathy have a standard deviation ranging from 0.739 to 0.873. The results reveal that these variables have differences in the respondents' expectations.

5) Variance

The expectations for tangibles, reliability, responsiveness, assurance, and empathy have variance scores ranging from 0.546 to 0.762, which reveal that these variables have variations in the respondents' expectations.

6) Range

The expectations for tangibles, reliability, responsiveness, assurance, and empathy have a range value 4, which indicates that these variables have differences in respondents' expectations and respondents have expressed all types of opinions towards study questions.

7) Minimum

The expectations for tangibles, reliability, responsiveness, assurance, and empathy have a minimum value 1, which indicates that respondents have an articulated minimum expectation of strongly disagree.

8) Maximum

The expectations for tangibles, reliability, responsiveness, assurance, and empathy have a maximum value 5, which indicates that respondents have an articulated maximum expectation of strongly agree.

4.5.2 Central tendency statistics on perception of service dimensions

Table 4.33 Central tendency statistics: perception of five service dimensions

		PV1 : Tangibles	PV2 : Reliability	PV3 : Responsiveness	PV4 : Assurance	PV5 : Empathy
N	Valid	400	400	400	400	400
	Missing	0	0	0	0	0
Mean		3.1125	2.9700	3.5200	3.3175	2.8000
Median		3.00	3.00	4.00	3.00	3.00
Mode		3	3	4	4	3
Std. Deviation		.841	.735	.855	.877	.867
Variance		.707	.540	.731	.769	.752
Range		4	4	4	4	4
Minimum		1	1	1	1	1
Maximum		5	5	5	5	5

Interpretation:

The measurement scale code is interpreted as: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree. The central tendency statistical results of service perception are as follows:

1) Mean

The mean results are as follows:

- The perception of responsiveness has a mean value 3.5200, which reveals that the respondents, who participated in this project, have articulated an average perception of agree towards the above mentioned study variables.

- The perception mean values for tangibles, reliability, assurance, and empathy are 3.1125, 2.9700, 3.3175, and 2.800, respectively. The result reveals that the respondents, who participated in this project, have articulated an average perception of neutral towards the above mentioned study variable.

2) Median

- The perception for tangibles, reliability, assurance, and empathy from five study variables have a median value 3.00, which indicates that 'neutral' is the median opinion of respondents.
- The perception of responsiveness has median value of 4.00, which indicates that 'agree' is the median opinion of the respondents.

3) Mode

- The perceptions of responsiveness and assurance have a mode value of 4.00, which indicates that 'agree' is the mode perception of respondents.
- The perceptions for tangibles, reliability, and empathy have a mode value of 3.00, which indicates that 'neutral' is the mode perception of respondents.

4) The Standard Deviation

The perceptions for tangibles, reliability, responsiveness, assurance, and empathy have a standard deviation ranging from 0.735 to 0.877. The results reveal that these variables have differences in respondents' perceptions.

5) Variance

The perceptions for tangibles, reliability, responsiveness, assurance, and empathy have variances ranging from 0.540 to 0.769, which reveal that these variables have variations in respondents' perceptions.

6) Range

The perceptions for tangibles, reliability, responsiveness, assurance, and empathy have a range value of 4, which indicates that these variables have differences in respondents' perceptions and respondents have expressed all types of opinions towards the study questions.

7) Minimum

The perceptions for tangibles, reliability, responsiveness, assurance, and empathy have a minimum value of 1, which indicates that respondents have articulated a minimum perception of 'strongly disagree'.

8) Maximum

The perceptions for tangibles, reliability, responsiveness, assurance, and empathy have a maximum value of 5, which indicates that respondents have articulated a maximum perception of 'strongly agree'.

4.6 CORRELATIONS

The size of the correlation coefficient can be used to quantitatively describe the strength of the association between two variables.

Interpretation Rules:

A. If the Sig. value (p value) $p \leq 0.05$, then there is a statistically significant correlation.

B. Pearson correlation co-efficient (r) values range from -1 to +1.

C. The + sign in the front indicates whether there is a positive correlation (As one variable increases, so too does the other) or the - sign in the front indicates a negative correlation (as one variable increases, the other variable decreases). The size of the absolute value (ignoring the sign) provides an indication of the strength of the relationship.

D. Strength relationship:

r = .81 to 1.0 or	-.81 to -1.0	very strong correlation
r = .61 to .80 or	-.61 to -.80	strong correlation
r = .41 to .60 or	-.41 to -.60	moderate correlation
r = .21 to .40 or	-.21 to -.40	weak correlation
r = .00 to .20 or	-.00 to -.20	very weak or no correlation

4.6.1 Intra-correlations of the expectation of quality dimensions

Table 4.34 Intra-correlations: expectation

		EV4 : Assurance	EV5 : Empathy
EV1: Tangibles	Pearson Correlation	.618**	.461**
	Sig. (2-tailed)	.000	.000
	N	400	400
EV2: Reliability	Pearson Correlation	.474**	.427**
	Sig. (2-tailed)	.000	.000
	N	400	400
EV3: Responsiveness	Pearson Correlation	.640**	.587**
	Sig. (2-tailed)	.000	.000
	N	400	400

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

Interpretation:

- Tangibles with Assurance and Empathy have a p value of 0.000. This p value is less than **0.05,** which indicates that Tangibles with Assurance and Empathy **have a statistically significant correlation.** The positive sign in front of Assurance and Empathy indicates a positive correlation. The Pearson product correlation coefficient r value of 0.618 indicates a strong correlation between Tangibles and Assurance, and 0.461 indicates a medium correlation between Tangibles and Empathy.
- Reliability with Assurance and Empathy have a p value of 0.000. This p value is less than **0.05,** which indicates that Reliability with Assurance and Empathy **have a statistically significant correlation.** The positive sign in front of Assurance and Empathy indicates a positive correlation. The Pearson product correlation coefficient r values are 0.474 and 0.427, which indicate a medium correlation between Reliability, Assurance, and Empathy.
- Responsiveness with Assurance and Empathy have a p value of 0.000. This p value is less than **0.05,** which indicates that Responsiveness with Assurance and Empathy **have a statistically significant correlation.** The positive sign in front of Assurance and Empathy indicates a positive correlation. The Pearson product

correlation coefficient r value of 0.640 indicates a strong correlation between Responsiveness and Assurance, and 0.587 indicates a medium correlation between Responsiveness and Empathy.

4.6.2 Intra-correlations of the perception of quality dimensions

Table 4.35 Intra-correlations: perception

		PV4 : Assurance	PV5 : Empathy
PV1: Tangibles	Pearson Correlation	.526**	.478**
	Sig. (2-tailed)	.000	.000
	N	400	400
PV2: Reliability	Pearson Correlation	.470**	.443**
	Sig. (2-tailed)	.000	.000
	N	400	400
PV3: Responsiveness	Pearson Correlation	.428**	.239**
	Sig. (2-tailed)	.000	.000
	N	400	400

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

Interpretation:

- Tangibles with Assurance and Empathy have a p value of 0.000. This p value is less than **0.05,** which indicates that Tangibles with Assurance and Empathy **have a statistically significant correlation.** The positive sign in front of Assurance and Empathy indicates a positive correlation. Pearson product correlation coefficient r values are 0.526 and 0.478 which indicate a medium correlation between Reliability, Assurance, and Empathy.
- Reliability with Assurance and Empathy have a p value of 0.000. This p value is less than **0.05,** which indicates that Reliability with Assurance and Empathy **have a statistically significant correlation.** The positive sign in front of Assurance and Empathy indicates a positive correlation. The Pearson product correlation coefficient r values are 0.470 and 0.443 which indicate a medium correlation between Tangibles, Assurance, and Empathy.
- Responsiveness with Assurance and Empathy have a p value of 0.000. This p value is less than **0.05,** which indicates that Responsiveness with Assurance and Empathy

have a statistically significant correlation. The positive sign in front of Assurance and Empathy indicates a positive correlation. The Pearson product correlation coefficient r value of 0.428 indicates a medium correlation between Responsiveness and Assurance, and 0.239 indicates a weak correlation between Responsiveness and Empathy.

4.6.3 Inter correlations

Table 4.36 Inter correlations: between expectation and perception

Correlations

		PV1 : Tangibles	PV2 : Reliability	PV3 : Responsiveness	PV4 : Assurance	PV5 : Empathy
EV1:Tangibles	Pearson Correlatio	.437**	.204**	.599**	.448**	.113*
	Sig. (2-tailed)	.000	.000	.000	.000	.024
	N	400	400	400	400	400
EV2 : Reliability	Pearson Correlatio	.189**	.342**	.581**	.262**	.151**
	Sig. (2-tailed)	.000	.000	.000	.000	.003
	N	400	400	400	400	400
EV3 : Responsivenes	Pearson Correlatio	.379**	.324**	1.000**	.428**	.239**
	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	400	400	400	400	400
EV4 : Assurance	Pearson Correlatio	.377**	.322**	.640**	.515**	.149**
	Sig. (2-tailed)	.000	.000	.000	.000	.003
	N	400	400	400	400	400
EV5 : Empathy	Pearson Correlatio	.343**	.253**	.587**	.305**	.321**
	Sig. (2-tailed)	.000	.000	.000	.000	.000
	N	400	400	400	400	400

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

*. Correlation is significant at the 0.05 level (2-tailed).

Interpretation:

- The expectations of tangibles with the perceptions for tangibles, reliability, responsiveness, and assurance have a p value of 0.000. The expectation of tangibles with the perception of empathy has a p value of 0.024. These p values are less than **0.05,** which indicate that the expectation of tangibles with the perceptions for five quality dimensions **have a statistically significant correlation.** The positive sign in front of the expectation of tangibles with the perceptions for five

quality dimensions indicates a positive correlation. The Pearson product correlation coefficient r values are 0.437, 0.599 and 0.448 which indicate a medium correlation between the expectation of tangibles and the perceptions for tangibles, responsiveness, and assurance; 0.204 indicates a weak correlation between the expectation of tangibles and the perceptions of reliability; and 0.113 indicates a relatively weak correlation between the expectation of tangibles and the perceptions of empathy.

- The expectations of reliability with the perceptions for tangibles, reliability, responsiveness, and assurance have a p value of 0.000. The expectation of reliability with the perception of empathy has a p value of 0.003. These p values are less than **0.05,** which indicate that the expectations of reliability with the perceptions for five quality dimensions **have a statistically significant correlation.** The positive sign in front of the expectation of reliability with the perceptions for five dimensions indicates a positive correlation. The Pearson product correlation coefficient r value is 0.581 which indicates a medium correlation between the expectation of reliability and the perceptions of responsiveness; 0.342 and 0.262 indicate a weak correlation between the expectation of reliability and the perceptions for reliability and assurance; 0.189 and 0.151 indicate a relatively weak correlation between the expectation of reliability and the perceptions for tangibles and empathy.
- The expectations of responsiveness with the perceptions for five dimensions have a p value of 0.000. This p value is less than **0.05,** which indicates that the expectation of responsiveness with the perceptions for five quality dimensions **have a statistically significant correlation.** The positive sign in front of the expectation of responsiveness with the perceptions for five quality dimensions indicates a positive correlation. The Pearson product correlation coefficient r values are 0.379, 0.324 and 0.239 which indicate a weak correlation between the expectation of responsiveness and the perceptions for tangibles, reliability, and empathy; 0.428

indicates a medium correlation between the expectation of responsiveness and the perception of assurance; 1 indicates a relatively strong correlation between expectation and perception of responsiveness.

- The expectations of assurance with the perceptions for tangibles, reliability, responsiveness, and assurance have a p value of 0.000. The expectation of assurance with the perception of empathy has a p value of 0.03. These p values are less than **0.05,** which indicate that the expectation of assurance with the perceptions for five quality dimensions **have a statistically significant correlation.** The positive sign in front of the expectation of assurance with the perceptions for five quality dimensions indicates a positive correlation. The Pearson product correlation coefficient r values are 0.377 and 0.322 which indicate a weak correlation between the expectation of assurance and the perception for tangibles and reliability; 0.149 indicates a relatively weak correlation between the expectation of assurance and the perceptions of empathy; 0.515 indicates a medium correlation between the expectation of assurance and the perceptions of assurance; and 0.640 indicates a strong correlation between the expectation of assurance and the perceptions of responsiveness.
- The expectations of empathy with the perceptions for five dimensions have a p value of 0.000. These p values are less than **0.05,** which indicate that the expectation of empathy with the perceptions for five dimensions **have a statistically significant correlation.** The positive sign in front of the expectation of empathy with the perceptions for five dimensions indicates a positive correlation. The Pearson product correlation coefficient r values are 0.343, 0.253, 0.305, 0.321, which indicate a weak correlation between the expectation of empathy and the perceptions for tangibles, reliability, assurance, and empathy; and 0.587 indicates a medium correlation between the expectation of empathy and the perception of responsiveness.

4.7 T-TEST

Table 4.37 T-Test: Expectations with regard to gender

		t	df	Sig. (2-tailed)
EV1:Tangibles	Equal variances assumed	-3.685	398	.000
	Equal variances not assumed	-3.781	282.467	.000
EV2 : Reliability	Equal variances assumed	-2.320	398	.021
	Equal variances not assumed	-2.322	264.504	.021
EV3 : Responsiveness	Equal variances assumed	-1.097	398	.273
	Equal variances not assumed	-1.104	267.934	.271
EV4 : Assurance	Equal variances assumed	-1.595	398	.112
	Equal variances not assumed	-1.591	262.289	.113
EV5 : Empathy	Equal variances assumed	-2.139	398	.033
	Equal variances not assumed	-2.199	283.830	.029

- **Interpretation:**
- In Table 4.37, the T-test results disclose that the significance values are 0.000, 0.021, and 0.033 for expectations of Tangibles, Reliability, and Empathy, respectively. These values, which are below **0.05,** reveal that there is a statistically significant difference between the gender groups (male and female) opinions towards the above variables. This finding means that male and females have different types of expectations towards these variables.
- In Table 4.37, the T-test results indicate that the p significance values are 0.273 and 0.112 for expectations of Responsiveness, Assurance. These p values, which are above **0.05,** reveal that statistically there is **no significant difference** between the gender groups (male and female) expectations towards the above variables. This finding means that male and female have almost similar type of expectations towards these variables.

Table 4.38 T-Test: Perceptions with regard to gender

		t	df	Sig. (2-tailed)
PV1 : Tangibles	Equal variances assumed	1.259	398	.209
	Equal variances not assumed	1.246	257.018	.214
PV2 : Reliability	Equal variances assumed	2.177	398	.030
	Equal variances not assumed	2.165	259.836	.031
PV3 : Responsiveness	Equal variances assumed	-1.097	398	.273
	Equal variances not assumed	-1.104	267.934	.271
PV4 : Assurance	Equal variances assumed	2.217	398	.027
	Equal variances not assumed	2.233	268.778	.026
PV5 : Empathy	Equal variances assumed	1.520	398	.129
	Equal variances not assumed	1.629	316.927	.104

Interpretation:

- The T-test results in Table 4.38 disclose that the significance values are 0.030 and 0.027 for perceptions of Reliability and Assurance, respectively. These values, which are below **0.05**, reveal that statistically there is **a significant difference** between the gender groups (male and female) opinions towards the above variables. This finding means that male and females have different types of perceptions towards these variables.
- The T-test results disclose that the significance values are 0.209, 0.273, and 0.129 for perceptions of Tangibles, Responsiveness and Empathy respectively. These values, which are above **0.05**, reveal that statistically there is **no significant difference** between the gender groups (male and female) perceptions towards the above variables. This means that male and female have almost similar type of perceptions towards these variables.

4.8 ANOVA TEST

4.8.1 Age Groups

Table 4.39 ANOVA Test: Expectations with regard to age

ANOVA

		Sum of Squares	df	Mean Square	Sig.
EV1:Tangibles	Between Groups	2.421	3	.807	.366
	Within Groups	301.517	396	.761	
	Total	303.938	399		
EV2 : Reliability	Between Groups	2.691	3	.897	.198
	Within Groups	227.286	396	.574	
	Total	229.978	399		
EV3 : Responsiveness	Between Groups	5.882	3	1.961	.045
	Within Groups	285.958	396	.722	
	Total	291.840	399		
EV4 : Assurance	Between Groups	4.671	3	1.557	.097
	Within Groups	290.507	396	.734	
	Total	295.178	399		
EV5 : Empathy	Between Groups	2.541	3	.847	.199
	Within Groups	215.419	396	.544	
	Total	217.960	399		

Interpretation:

- The ANOVA test results reveal that there is **no statistically significant difference** in opinions of different age groups' respondents towards expectations of the study dimensions: Tangibles, Reliability, Assurance, and Empathy because these statements significance values are 0.366, 0.198, 0.097, and 0.199. These values, which are above **0.05**, reveal that the different age groups have almost similar expectations towards these dimensions and there is no huge difference in different groups' opinions towards these four dimensions.
- The ANOVA test results reveal that there is **a statistically significant difference** in opinions of different age groups' respondents towards the study statement relating to Responsiveness since this statement has a **p** significance value of 0.045 which is below **0.05.** This finding means that different age groups have different expectations and a huge difference exists in the different groups' opinions towards this dimension.

Table 4.40 ANOVA Test: Perceptions with regard to age

ANOVA

		Sum of Squares	df	Mean Square	Sig.
PV1 : Tangibles	Between Groups	1.603	3	.534	.520
	Within Groups	280.335	396	.708	
	Total	281.938	399		
PV2 : Reliability	Between Groups	1.469	3	.490	.438
	Within Groups	214.171	396	.541	
	Total	215.640	399		
PV3 : Responsiveness	Between Groups	5.882	3	1.961	.045
	Within Groups	285.958	396	.722	
	Total	291.840	399		
PV4 : Assurance	Between Groups	4.070	3	1.357	.151
	Within Groups	302.608	396	.764	
	Total	306.678	399		
PV5 : Empathy	Between Groups	.999	3	.333	.724
	Within Groups	299.001	396	.755	
	Total	300.000	399		

Interpretation:

- The ANOVA test results in Table 4.40 reveal that there is **no statistically significant difference** in opinions of the different age groups' respondents towards the study dimensions: Tangibles, Reliability, Assurance, and Empathy because these statements **p** significance values of 0.520, 0.438, 0.151 and 0.724, respectively. These values, which are above **0.05**, reveal that the different age groups' respondents have almost similar perceptions towards these dimensions and there is no huge difference in different groups' opinions towards these study dimensions.
- The ANOVA test results in Table 4.40 reveal that there is **a statistically significant difference** in opinions of the different age groups' respondents towards the statement relating to Responsiveness because this finding has a **p** value of 0.045. This value, which is below **0.05**, reveals that the different age groups' respondents have almost similar perceptions towards this statement and there is a difference in the different age groups' opinions towards this study dimension.

4.8.2 Regional groups

Table 4.41 ANOVA Test: Expectations with regard to regional groups

ANOVA

		Sum of Squares	df	Mean Square	Sig.
EV1:Tangibles	Between Groups	3.871	3	1.290	.166
	Within Groups	300.066	396	.758	
	Total	303.938	399		
EV2 : Reliability	Between Groups	3.693	3	1.231	.093
	Within Groups	226.284	396	.571	
	Total	229.978	399		
EV3 : Responsiveness	Between Groups	2.512	3	.837	.330
	Within Groups	289.328	396	.731	
	Total	291.840	399		
EV4 : Assurance	Between Groups	.909	3	.303	.748
	Within Groups	294.269	396	.743	
	Total	295.178	399		
EV5 : Empathy	Between Groups	4.580	3	1.527	.038
	Within Groups	213.380	396	.539	
	Total	217.960	399		

Interpretation:

- The ANOVA test results in Table 4.41 reveal that there is **no statistically significant difference** in expectations of different regional groups respondents towards the study dimensions: Tangibles, Reliability, Responsiveness and Assurance because these statements have **p** significance values of 0.166, 0.093, 0.330, and 0.748, respectively. These values, which are above **0.05**, reveal that the different regional groups' have almost similar expectations towards these dimensions and there is no huge difference in the different groups' expectations towards these four dimensions.
- The ANOVA test results in Table 4.41 reveal that there is **a statistically significant difference** in the expectations of different regional groups' respondents towards the study statement relating to Empathy because this statement has a **p** significance value of 0.038. This value, which is below **0.05**, reveals that the different regional groups have almost the different expectations towards this statement and there is

huge difference in different groups' expectations towards this dimension.

Table 4.42 ANOVA Test: Perceptions with regard to regional groups

ANOVA

		Sum of Squares	df	Mean Square	Sig.
PV1: Tangibles	Between Groups	.928	3	.309	.727
	Within Groups	281.010	396	.710	
	Total	281.938	399		
PV2: Reliability	Between Groups	3.591	3	1.197	.084
	Within Groups	212.049	396	.535	
	Total	215.640	399		
PV3: Responsiveness	Between Groups	2.512	3	.837	.330
	Within Groups	289.328	396	.731	
	Total	291.840	399		
PV4: Assurance	Between Groups	1.514	3	.505	.580
	Within Groups	305.164	396	.771	
	Total	306.678	399		
PV5: Empathy	Between Groups	6.446	3	2.149	.035
	Within Groups	293.554	396	.741	
	Total	300.000	399		

Interpretation:

- The ANOVA test results in Table 4.42 reveal that there is **no statistically significant difference** in perceptions of the different regional groups' respondents towards the study dimensions: Tangibles, Reliability, Responsiveness and Assurance because these statements have **p** significance values of 0.728, 0.084, 0.330, and 0.580, respectively. These values, which are above **0.05**, reveal that the different regional groups have almost similar perceptions towards these dimensions and there is no huge difference in the different groups' perceptions towards these four dimensions.
- The ANOVA test results in Table 4.42 reveal that there is **a statistically significant difference** in perceptions of the different regional groups' respondents towards the study statement relating to Empathy because this statement has a **p** significance value of 0.035. This value, which is below **0.05**, reveals that the different regional groups have different opinions towards this statement and there is a big difference

in the different groups' perceptions towards this dimension.

4.9 CRONBACH ALPHA TEST RELIABILITY ANALYSIS

Cronbach's alpha is a test of internal consistency. In general, Cronbach Alpha values that are less than 0.60 are considered to be poor, those in the 0.70 range, acceptable, and those over 0.80, good. The closer the Cronbach's alpha is to 1, the higher the internal consistency reliability (Sekaran, 2003:307-308).

Table 4.43 Cronbach's alpha Test

N=400	Cronbach's Alpha	N Of Items
Expectation	0.930	25
Perception	0.924	25

As Table 4.43 shows, the Cronbach's alpha coefficients for expectation and perception are 0.930 and 0.924, respectively. These coefficients exceed the recommended significance level of 0.80. Therefore, the results indicate that the research instrument's (Questionnaire) continuous study variables have high internal consistency and reliability.

4.10 CONCLUSION

The results of the empirical study were presented and analysed in this chapter. Firstly, the explanation of the results started with the discussion of the demographic information using and percentages. These findings indicated that the most of the intercity bus service users were under the age of 40 years and almost 70% were male. Secondly, a comparison of the service quality expectations and perceptions for the intercity bus transportation industry were determined by computer numerical tables. The results of all statements expressed that the actual service quality in this industry were able to meet the passengers' expectations. According to the GAP analysis of service dimensions, the gap between expectations and perceptions of the intercity bus transport industry is the largest for "empathy" and the lowest for "responsiveness" (see Table 4.31). Third, the

inter-relationships between the service dimensions were analysed. It was interesting to note that highly significant Pearson values ranging from 0.000 to 0.024 were obtained in the correlation matrix. The correlation matrix indicated that the tangibles, reliability, responsiveness, assurance and empathy dimensions are interrelated to improve service quality of the intercity bus transport industry in South Africa. Fourth, the T-test was employed to analyse whether the demographic information impact on service dimensions. The results revealed that gender has a significant influence on the perceptions for reliability and assurance. The age factor has a strong impact on responsiveness dimension. The impact of the regional factor focuses on empathy dimension.

In general, all dimensions of service quality are proved to be significant. According to the above data analysis, the external communication gap can be a disadvantage of the intercity bus transport industry in South Africa. The next chapter contains the conclusions and recommendations in terms of these findings.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 INTRODUCTION

The previous chapter analysed the data from the 400 questionnaires with the aid of descriptive and inferential statistics. As a summary of the research, this chapter firstly discusses the findings of the literature and the empirical study. Then, limitations of this research and key recommendations for improving service quality in the intercity bus transportation industry in South Africa are presented. Finally, the conclusion to the study is presented.

5.2 SUMMARY OF THE STUDY

As discussed in Chapter 2, the Gap analysis is critical for management to identify the service problems or service failure points. Many research studies on service quality focus on how to reduce Gap 5 between consumers' expectations and their perceptions. This study may provide management with important insights about how well the external communication can influence the expectations and perceptions of the consumers in terms of the context of the intercity bus transportation industry in South Africa. In other words, managers, in the intercity bus transportation industry in South Africa, should carry out this type of analysis regularly so that they can evaluate passengers' needs more clearly and identify some areas of weakness.

As shown in section 4.4, the results of Gap analysis revealed that passengers' perceptions were consistently lower than their expectations. These negative gaps indicate that the delivered service level was falling below passengers' expectations of service quality in the intercity bus transportation industry in South Africa.

Customers' evaluations of the five dimensions of service performance as reflected in Table 4.31 show that empathy and reliability are two major factors impacting on passengers' satisfaction in this industry. Empathy factors indicate that the intercity bus service organisations and their employees should pay more attention to their customers and facilitate matters in the service delivery process. Reliability factors indicate that the service organisation should complete tasks promised to guests and find the right solutions to guests' problems.

As indicated in the literature review, the process of service delivery is influenced by the communication element. The results of this study also prove that external communication is poor in the intercity bus transport industry, particularly the one-way communication. Clearly, the findings have major implications for the management of the intercity bus transportation industry, and, perhaps, also for other types of service organisations in South Africa.

5.2.1 Empathy

Chapter 2 stated that the empathy dimension refers to the level of the firm specific service knowledge and care. Knowledge about the intercity bus transport services will convey a feeling of trust and confidence. The level of care will also have a positive impact on the customer satisfaction level.

This study shows that the empathy dimension may be more important than the reliability dimension in this industry in South Africa. It emerged that the largest quality gap score (-0.96) was that customers could not easily obtain information about the facilities and service of bus companies. At the same time, empathy held the greatest gap score among all of the 25 attributes. The intercity bus transport companies need to focus on improving service quality by giving their guests more individual attention and ensuring that employees always effectively perform the service and successfully

communicate with the customers to meet their expectations. The shortfall also indicates that the intercity bus companies in South Africa were poor in the external communication, particularly the one-way communication from the service provider to customers.

As indicated in Section 4.6, there is a medium interrelationship between the expectations of empathy and other four dimensions in this study. However, the correlation between the perceptions of empathy and responsiveness is weak. Consequently, managers in this industry will be required to make further improvements in the external communication, particularly with regard to the barriers to using bus transport and also the usefulness of travel information and its accessibility.

5.2.2 Reliability

As described in Chapter 2, the reliability dimension means that the customer can have confidence with the service being provided, as agreed and with getting what was promised. Various empirical tests by the past researchers have shown that reliability is the most important service dimension from a customer's point of view. It is interesting to note that reliability is the second important dimension in the intercity bus transport industry in South Africa.

From the gap analysis, the greatest gap score (-0.73) on "reliability" factors was that "the bus always arrives at the destination on time". It is suggested that when the service cannot be delivered on time, service providers should provide an explanation for the delay, apologise and compensate for the lack of promptness and efficiency. Consistently doing what is promised, doing it correctly and on time conveys reliability.

The implications of the above results suggest that managers of intercity bus transport companies in South Africa should focus on improving all items regarding "reliability".

To achieve this goal, the companies should improve their infrastructure to develop systematic monitoring as well as control policies and extend the two-way communication so that they able to provide prompt and caring service to passengers.

5.2.3 External communication

As shown in section 2.7, information exchange of the external communication would be a key preliminary stage in the service process. It is seen as an essential component of the service offering. If information is not available or is not easy to access or understand, passengers cannot make informed decisions about when, where and how to travel.

In this case, the lack of information or limited access to information on service quality may prevent or deter passengers from using the service at all. However, managers in the intercity bus transportation industry in South Africa often neglect to communicate with the customers, who are critical in the success of enterprises. In this sense it can be concluded that South Africa management does not heed "the customer" since the accessibility and effectiveness of intercity bus transport information is poor.

5.2.4 Other service-related factors

Other factors include "Tangibles", "Responsiveness", and "Assurance". Among those three factors, "Tangibles" held the third gap score of -0.400 while "Assurance" had a gap core of -0.375. "Responsiveness" held the smallest gap score of 0.00 which means that the expectations and perceptions of quality are equal.

As noted in Chapter 2, South Africa has a superior transport infrastructure in Africa. The results from the tangibles test, however, show that the intercity bus companies had inadequate resources and capacity which held the biggest gap score of -0.51 among the five relevant service quality attitudes.

In the literature review, "Assurance" refers to the knowledge and ability of service providers which can affect customers trust in the service as well as ensure their service effectiveness. The statement "Customers feel safe in their transaction with staff in the ticket office", held the smallest gap and the highest perception score among all of 25 quality dimensions. This is a noticeable finding in this study.

The literature review indicated that "Responsiveness" is really important for service quality. However, the result in the Gap test pointed out that expectations and perceptions of responsiveness are not significantly different. This finding does not suggest that responsiveness is an unimportant dimension of service performance. The study has also found the gaps of the five quality statements ranged from -0.23 to -0.69. These shortfalls will require the careful attention of managers in the intercity bus companies to make further improvement in the future.

Drawing together the findings reported in this study, several conclusions emerge. It is argued that success in any business depends on understanding the key issues that affect customers' needs and also how well the businesses meet or exceed the customers' needs. The findings in the study also make a contribution to understanding of a number of issues concerning external communication of intercity bus transport in the developing country.

As the intercity bus transport companies in South Africa are facing challenges to increase their market share and profitability, the marketing focus for these managers is to increase the number of repeat customers and to attract more new guests by meeting their needs more effectively. By analysing expectations and perceptions about service quality with respect to different dimensions, senior managers can develop and formulate marketing strategies to meet the needs of each specific dimension more effectively. Using the results revealed in this study, they can plan effective marketing strategies to

enhance the productivity, reduce vacancy rate, and maximize the benefits in 2010 and beyond.

5.3 Demographic factors and service quality

5.3.1 Gender

The analyzed results showed that male customers frequently used more of the intercity bus transport than females. The results in the t-test indicated that females and males have similar opinions towards expectations and perceptions of the responsiveness dimension of the intercity bus transport industry.

5.3.2 Age

The study showed that the majority of customers are aged between 20-39 years. The research results also indicated that there is a statistically significant difference in perceptions of different age groups towards the expectations and perceptions of the responsiveness dimension of the service industry.

5.3.3 Regional distribution

This findings in the ANOVA test indicated that different regional groups have different opinions towards the expectations and perceptions of the empathy dimension of the service industry. The major reason is that passengers could have different languages and cultures in the different regions. It is recommended that management take into consideration the demographic characterise of customers, particularly more foreigners will visit South Africa during the 2010 Soccer World Cup.

5.4 KEY RECOMMENDATIONS TO IMPROVE SERVICE QUALITY

Based on the research findings, the following recommendations are made:

- The intercity bus transportation industry should use user-friendly printed material (e.g. area-based timetable booklets, individual service leaflets,

newspapers, magazines, and posters) which all customers can relate to. In addition, the intercity bus transport industry also should pay attention to develop electronic delivery channels (e.g. electronic displays built into the ticket office, Internet-based journey planners and telephone-based information centres) for attracting more potential customers. This one-way communication can not only increase customer awareness of the full rang of services they offers, also resolve issues about empathy and tangibles of service quality in the industry in the industry.

- The present operating hours of intercity bus companies are not convenient to some customers. Expanding distribution or developing more convenient and accessible channels may help expand market penetration. The intercity bus transportation industry should develop an automatic sales system which can operate 24 hours a day.
- The intercity bus transportation industry should focus on disseminating geographic information about the site of their ticket office through various distribution channels (e.g. vacation resorts' brochures, notice boards in communal areas and other printed and electronic resources).
- The intercity bus transportation industry should improve to the reliability of bus services by three means. Firstly, they should develop a consistently aligned set of factors, processes, and standards that can define timely routing. Secondly, the management of the industry should regularly maintain buses and related equipment and spare parts. Thirdly, the industry should employ new technologies (e.g. GPS) to control routes and timings.
- To inform customers of changes of time and price in advance, the intercity bus transportation industry should use rapid electronic media to send messages. In practice, two categories of these delivery channels will be needed. One is for people with a hearing difficulty (e.g. SMS via mobile phones or other mobile devices). The other is for people with a visual disability (e.g. broadcast).

- The managers in the intercity bus transport industry need to have more interaction with their present or potential customers to understand their needs and expectations through customer surveys, evaluations of customer complaints, or other issues. Complaints and compliments must be circulated among so that staff are aware of problems and merits. These exchanges of information not only give customers the opportunity to share their experiences, but also can narrow the information gap for customers and service providers.
- The intercity bus transportation industry should develop an online reservation system since the electronic medium is less expensive than processing bookings through other traditional channels, particularly when commission is involved. Moreover, the system should connect with some major chain stores – such as Pick'n Pay, Shoprite, Spar and Game.
- The management of the intercity bus transportation industry must understand and respond to the organizational context and adjust internal organizational systems to ensure their effectiveness. They should establish detailed policies and procedures for dealing with customers to reduce variability in customer treatment across employees. Also, they should develop a performance measurement system so that they can be assured of getting the performance data they need, on a timely basis.
- The intercity bus transportation industry should recruit and select skilled and competent staff. Furthermore, they need formal training in service quality to deal with different types of customers and their needs. The managers of intercity bus companies should encourage staff with superior communication and social skills to share work practices and problem solving approaches with their clients through staff briefings, meetings and other face-to-face communications methods.
- This industry should invest in improving the infrastructure, including electronic displays, and touch screen. At the same time, they should build links with other

transport modes. Sharing passenger information and harmonious transport schedules will efficiently and effectively enhance the productivity and improve each partner's ability to adapt quickly to environmental changes or threats.

5.5 LIMITATIONS

As with all empirical studies, the present research had certain limitations.

- Firstly, the data were gathered in a specific geographic area of South Africa (Durban). As a result, the study may have contained some information and results that can be specific only for the Durban market. Hence, the results of this study cannot be generalised.
- Secondly, the results of this study may not have been representative of the whole population, due to the face that a convenience sampling method was used to collect the data.
- Finally, the study is limited to only intercity bus transport industry and cannot be generalised across the different transportation categories.

5.6 DIRECTIONS FOR FUTURE STUDY

This study also raises new questions for further research. First, in this study, the empathy dimension was found to be relatively more important than reliability, responsiveness, assurance, and tangibles. This finding highlights the fact that external communication is the most important factor in service delivery. Therefore, future research should investigate whether the results, as revealed in this study, are valid for other types of transport (e.g. air, train, ship, minibus). In addition, future research may also look at whether the perceived service quality levels differ between developing and developed countries. Finally, the current study only showed that customers' social status has a weak effect on some of the relationships proposed in the study. Future studies may investigate other types of customer characteristics (e.g., ethnicity, income and occupation).

5.7 CONCLUSION

In conclusion, the empathy dimension and the reliability dimension of service quality were two major factors influencing in the intercity bus transport industry in South Africa. Further, the empathy dimension was more important than other four service quality dimensions due to the poor external communication in this industry. This chapter also concludes that demographic factors (e.g. gender, age and region) have an impact on consumer use of intercity bus transport in South Africa.

The recommendations, drawn from the conclusions of this study, were consistent with the importance of the external communication gap in service delivery. Recommendations for future study also were made based on the findings. This study contributes to the literature on quality management. It emerged that the intercity bus transportation industry could perform well if external communication can be improved.

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APPENDIX A

Dimension	Description	Example for Bus Company
Tangibles	Physical facilities, equipment, and appearance of personnel.	The ticket office is attractive.
		Bus companies are equipped with modern technology.
		The ticket office has adequate resources and capacity.
		Bus companies have a professional appearance.
		The dress of staff is neat and smart.
Reliability	Ability to perform the promised service dependably and accurately.	The bus always arrives at the destination on time.
		The bus never breaks down on the road.
		Customers can easily book a ticket for their journey.
		Staff satisfy customers' requests right the first time.
		The timetable in the bus company's website is error free.
Responsiveness	Willingness to help customers and provide prompt service.	Bus companies always inform people of change of timetable and prices in advance.
		Bus companies can provide timely and efficient service.
		Communication with customers is clear and helpful.
		Staff are always willing to help customers.
		Staff can provide complete answers when they attend to customers' requests.
Assurance	Knowledge and courtesy of employees and their ability to inspire trust and confidence.	Customers feel safe in their transactions with staff in the ticket office.
		Customers feel safe in their transactions with staff on the bus.
		Staff are always polite.
		Staff have in-depth occupational knowledge of their jobs.
		The behaviour of staff instils confidence in the customers.
Empathy	The firm provides its caring, individualized attention to its customers	Bus companies always look after the best interests of their customers.
		Bus companies have operating hours convenient to all their customers.
		Getting information about the facilities and services of bus companies is easy.
		It is easy to find and access the ticket office.
		Staff can provide individualized attention to help customers.

APPENDIX B

7 Bews Court
Evered Poole Place
Berea

Dear Sir / Madam

My name is Pan Qi and I am conducting research for my M tech degree in Marketing at the Durban University of Technology (DUT). The title of my research project is factors for service quality in the intercity bus transport industry of South Africa. I would appreciate your co-operation in completing a questionnaire.

The completion of the questionnaire should not take longer than 15 minutes of your time. I want to thank you in advance for your time. Please be informed that your identity will remain anonymous and your response will be kept confidential.

Participation in this research study is voluntary and you may withdraw from the study at any time without having to give any reasons. If you have any questions, please feel free to contact me. If you have any other questions or concerns regarding the study and would like to talk to someone other than the researcher, you may as contact Dr. J. Govender, Department of Marketing, 7th floor, B block, M L Sultan Campus, at 0027-31-3085425.

Yours sincerely

David Pan

APPENDIX C

SECTION A: LEVEL OF EXPECTATIONS OF SERVICE QUALITY

For each of the following statements, please indicate your level of agreement, as they apply to your **expectations** of the intercity bus service you have used.

Note that 1=completely disagree, 2=disagree, 3=neutral, 4=agree, 5= completely agree

There are no right or wrong answers. Just tick the number that truly reflects your feelings. Based on your experience as a customer of intercity bus transport, please think about the kind of service that would deliver excellent quality and one with which you would be pleased to travel.

Tick only one number for each statement. Please remember to answer all questions. Thank you for your assistance.

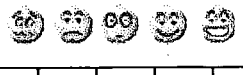
	EXPECTATIONS					
1	Ticket office is attractive.	1	2	3	4	5
2	Bus companies are equipped with modern technology.	1	2	3	4	5
3	Ticket office has adequate resource and capacity.	1	2	3	4	5
4	Bus companies have a professional appearance.	1	2	3	4	5
5	The dress of staff is neat and smart.	1	2	3	4	5
6	Bus always arrives at the destination on time.	1	2	3	4	5
7	Bus never breaks down on the road.	1	2	3	4	5
8	Customers can easily book a ticket for their journey.	1	2	3	4	5
9	Staff satisfy customers' requests right the first time.	1	2	3	4	5
10	The timetable in the bus company's website is error free.	1	2	3	4	5

11	Bus companies always inform people of change of timetable and prices in advance.	1	2	3	4	5
12	Bus companies can provide timely and efficient service.	1	2	3	4	5
13	Communication with customers is clear and helpful.	1	2	3	4	5
14	Staff are always willing to help customers.	1	2	3	4	5
15	Staff can provide complete answers when they attend to customers' requests.	1	2	3	4	5
16	Customers feel safe in their transactions with staff in the ticket office.	1	2	3	4	5
17	Customers feel safe in their transactions with staff on the bus.	1	2	3	4	5
18	Staff are always polite.	1	2	3	4	5
19	Staff have in-depth occupational knowledge of their jobs.	1	2	3	4	5
20	The behaviours of staff instil confidence in the customers.	1	2	3	4	5
21	Bus companies always look after the best interests of their customers.	1	2	3	4	5
22	Bus companies have operating hours convenient to all their customers.	1	2	3	4	5
23	Getting information about the facilities and services of bus companies is easy.	1	2	3	4	5
24	It is easy to find and access the ticket office.	1	2	3	4	5
25	Staff can provide individualized attention to help customers.	1	2	3	4	5

SECTION B: LEVEL OF PERCEPTIONS OF SERVICE QUALITY

For each of the following statements, please indicate your level of agreement, as they apply to your **perceptions** of the intercity bus service you have used.

Note that 1=completely disagree, 2=disagree, 3=neutral, 4=agree, 5= completely agree

	PERCEPTIONS					
1	Ticket office is attractive.	1	2	3	4	5
2	Bus companies are equipped with modern technology.	1	2	3	4	5
3	Ticket office has adequate resource and capacity.	1	2	3	4	5
4	Bus companies have a professional appearance.	1	2	3	4	5
5	The dress of staff is neat and smart.	1	2	3	4	5
6	Bus always arrives at the destination on time.	1	2	3	4	5
7	Bus never breaks down on the road.	1	2	3	4	5
8	Customers can easily book a ticket for their journey.	1	2	3	4	5
9	Staff satisfy customers' requests right the first time.	1	2	3	4	5
10	The timetable in the bus company's website is error free.	1	2	3	4	5
11	Bus companies always inform people of change of timetable and prices in advance.	1	2	3	4	5
12	Bus companies can provide timely and efficient service.	1	2	3	4	5
13	Communication with customers is clear and helpful.	1	2	3	4	5
14	Staff are always willing to help customers.	1	2	3	4	5
15	Staff can provide complete answers when they attend to customers' requests.	1	2	3	4	5

16	Customers feel safe in their transactions with staff in the ticket office.	1	2	3	4	5
17	Customers feel safe in their transactions with staff on the bus.	1	2	3	4	5
18	Staff are always polite.	1	2	3	4	5
19	Staff have in-depth occupational knowledge of their jobs.	1	2	3	4	5
20	The behaviours of staff instil confidence in the customers.	1	2	3	4	5
21	Bus companies always look after the best interests of their customers.	1	2	3	4	5
22	Bus companies have operating hours convenient to all their customers.	1	2	3	4	5
23	Getting information about the facilities and services of bus companies is easy.	1	2	3	4	5
24	It is easy to find and access the ticket office.	1	2	3	4	5
25	Staff can provide individualized attention to help customers.	1	2	3	4	5

SECTION C: CLASSIFICATION DATA

1. Please indicate your **gender** by ticking (√) in the appropriate box.

Male	
Female	

2. Please indicate your **age** by ticking (√) in the appropriate box.

Under 20	
20 to 39	
40 to 59	
60 and above	

3. Please indicate **where you are from** by ticking (√) in the appropriate box.

Durban area	
South African, but not from Durban area	
Other African countries	
Overseas, i.e. non-African country	

Thank you for completing this questionnaire and your kind cooperation!