

**USING THE SERVQUAL MODEL TO ASSESS SERVICE QUALITY  
AND CUSTOMER SATISFACTION:  
AN EMPIRICAL STUDY OF RAWANG REST AREA**

**BY**

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## ABSTRAK (MALAY)

Tujuan kajian ini adalah untuk menganalisa kualiti perkhidmatan yang dijangkakan, menyiasat kualiti persepsi perkhidmatan dan untuk menganalisa kesan kualiti persepsi perkhidmatan pada tahap kepuasan pengguna kawasan rehat Rawang. Dapatan dari kajian ini akan memanfaatkan pemaju hartanah baru yang akan memajukan kawasan rehat baru di Rawang.

Oleh itu, untuk memahami persepsi dan jangkaan pengguna di kawasan rehat Rawang, satu kaji selidik telah dijalankan di tapak kawasan rehat Rawang. Soal selidik telah diedarkan secara rawak kepada pengguna. Faktor-faktor yang telah dibincangkan di dalam soal selidik ini adalah tentang kemudahan, 'tangible', responsif, kebolehpercayaan, jaminan dan empati. Terdapat banyak faktor-faktor lain yang boleh memberi kesan kepada tahap kepuasan tetapi berdasarkan pada kesusasteraan yang dikaji faktor ini telah diuji dan diguna pakai dan sesuai digunakan untuk kajian ini. Daripada analisa kajian ini, ia mendedahkan bahawa persepsi perkhidmatan pengguna adalah lebih tinggi daripada perkhidmatan yang dialami membawa kepada kualiti perkhidmatan yang rendah. Ini bermakna bahawa tahap kepuasan di kawasan rehat Rawang adalah rendah dan pengguna tidak berpuas hati terutamanya dalam faktor-faktor yang melibatkan 'tangible', kemudahan, kebolehpercayaan, responsif dan empati.

## ABSTRACT

The purpose of this study is to analyze expected service, investigate perceived service and to analyze the effect of perceived service quality on the satisfaction level of Rawang rest area users. The results of this study would be beneficial to the new property developer who is going to be a new rest area in Rawang.

Thus, to understand the perception and expectation of the Rawang RSA and Lay-by users a survey was conducted at the site. Questionnaire was distributed randomly to the willing users. The factors that were covered in the questionnaire were on the facilities, tangibility, responsiveness, reliability, assurance and empathy. There are many other factors that could affect the satisfaction level but basing on the reviewed literatures these factors were tested and adopted to be suitable for this study. From the analysis of this study it revealed that the expected service of the users were higher than the perceived service leading to low perceived service quality. This means that the satisfaction level in the Rawang RSA and Lay-by is low or dissatisfied especially in factors involving tangibility, facilities, reliability, responsiveness and empathy.

## CHAPTER 1

### INTRODUCTION

#### 1.1 Background

Malaysia saw a remarkable overall tourism growth in 2012, bringing the country's tourism to an international limelight. Number of visitors accelerated to 25,032,708 from 24,714,324 in 2011 and revenue increased to RM60.6 billion from RM58.3 billion compared to the previous year (The Star, 4<sup>th</sup> Feb., 2013). One of the main activities that any tourist or traveller be it local or foreigner, would do, is to travel around Malaysia to different places. One of the medium would be to travel by road. The major road that is commonly used by locals and tourist is the North South Expressway (NSE).

From Table 1.1, it can be inferred that Malaysia is a favourite spot for tourist. The numbers have been increasing steadily from the year 1998. Along with the number of tourist increment the tourism expenditure also increases. This will churn up the economic as well as the tourism sector creating more opportunities for business and employments.

YEAR	NUMBER OF TOURIST	RECEIPTS (RM)
2012	25.03 mil	60.6 bil
2011	24.71 mil	58.3 bil
2010	24.58 mil	56.5 bil
2009	23.65 mil	53.4 bil
2008	22.05 mil	49.6 bil
2007	20.97 mil	46.1 bil
2006	17.55 mil	36.3 bil
2005	16.43 mil	32.0 bil
2004	15.7 mil	29.7 bil
2003	10.58 mil	21.3 bil
2002	13.29 mil	25.8 bil
2001	12.78 mil	24.2 bil
2000	10.22 mil	17.3 bil
1999	7.93 mil	12.3 bil
1998	5.56 mil	8.6 bil

Table 1.1

*Number of tourist and receipt in Malaysia (1998-2012)*

*Source: Tourism Malaysia with the cooperation of Immigration Department*

Many tourists of different countries and regions visit Malaysia throughout the year to experience the variedness of Malaysian culture. Table 1.2 shows the number of tourist to Malaysia according to the countries.

Rank	Country of Nationality	2012	2011	% Change
1	SINGAPORE	13,014,268	13,372,647	-2.7
2	INDONESIA	2,382,606	2,134,381	+11.6
3	CHINA	1,558,785	1,250,536	+24.6
4	THAILAND	1,263,024	1,442,048	-12.4
5	BRUNEI	1,258,070	1,239,404	+1.5
6	INDIA	691,271	693,056	-0.3
7	PHILIPPINES	508,744	362,101	+40.5
8	AUSTRALIA	507,948	558,411	-9.0
9	JAPAN	470,008	386,974	+21.5
10	UNITED KINGDOM	402,207	403,940	-0.4

Table 1.2

*Malaysia's Top Ten Arrivals by Country of Nationality*

*Source: Tourism Malaysia with the Cooperation of Immigration Department*

As such, Malaysia is deemed as one of the favourite tourist area for the foreigners especially Asians. Malaysia has been developed in terms of economics, infrastructure, and transportation to suit and serve the tourists. Local and foreign tourist would definitely want to feel and experience Malaysia on the whole within a short time frame. As such, they would travel along the North South Expressway (NSE) to different places. At the time being, NSE only offers rest and recreation stops for the NSE users.

No studies have been conducted to know the satisfaction level of the NSE users towards the rest area in Malaysia. In order to fulfil the expectations of the society and road users, road authorities need to continuously develop their operations and increase public involvement (Lodenus, 2011). In order to improve this condition, a new up-coming developer, DA Land Sdn Bhd, has obtained approval from the local council, Majlis Perbandaran Selayang (MPS) and Lembaga Lebuhraya Malaysia (LLM) to build the biggest R & R along the NSE in Rawang, Selangor. Cited by Eva Lovendus, Robinson et al. (1998), suggests that customer perception should determine the aims of the road sector. In this case, customer perception and expectation should be taken into consideration in order to provide the necessary and required facility to increase the user's satisfaction level.

As such, The TWO stands for Theme Park Resort, Wholesale City and Outlet Malls. It is for discount outlet shopping, fun and food. Not only The TWO targets at the 3.5 million population within 30km radius (2010), 7 million population within Kuala Lumpur (KL) & Selangor (2010), but also local tourists from other states and international tourists travelling between north and south. The TWO enjoys the best location about 1km from Rawang Toll, which is near Petaling Jaya (PJ) and KL, double fronting the North-South Expressway. The TWO could capture not only the high income population from PJ & KL, but also local and international tourists. The number of tourists captured by The TWO is likely to exceed the top-tier tourist malls such as Sungai Wang Plaza,

Berjaya Time Square and matched by very few such as Genting, KLCC, Pavillion (The TWO brochure, DA Land Sdn Bhd).

The reason being in Rawang is because the timing is right as surrounding developments have reached Rawang from all angles. Leading to KL from Rawang Highway, the development in Selayang has reached the fringe of Rawang's forest reserves, Templer Park, Commonwealth Park, Kanching Park. Leading to PJ and KL from North-South Expressway, the development of Kota Damansara has matured. The development of Sungai Buloh has expanded to its deep heartland more than 1 hour from the Sungai Buloh Toll. Leading to Subang and Shah Alam from Guthrie Corridor Expressway, the development of Subang, Shah Alam is matured till Bukit Jelutong and now being extended to another mega township of 5000 acres called Elmina, which is less than 10 minutes from The TWO (The TWO brochure, DA Land Sdn Bhd). With the new Latar Expressway linking to west coast that is Kuala Selangor, thus making Rawang almost like the centre of major expressways.

## **1.2 Problem Statement**

Rest areas generally facilitate visitor with many useful services such as pay telephones; vending machines for fast food, newspapers and information maps; free coffee; information on tourists' attractions; and latest tourists' information (Blomquist, Carlson, 1998). A well-equipped

rest area with plenty of eateries, ample of parking space, adequate and clean washrooms and diaper changing rooms will ease the users of rest area during their journey. This is especially so during long journeys and during peak seasons when the traffic is heavy and takes hours to reach a short destination. Rest areas must be maintained and enhanced to meet the demand of increasing volumes of visitors and ever-changing needs and demands (Garder, 2002). Rawang rest area is such a place as the South bound traffic would like to unwind the journey stress before heading towards the city centre and further south where else the North bound traffic would take a rest at Rawang as the next major rest area is Tapah which is 107 km away (Ministry of Transportation, Malaysia).

Rest areas are a necessity for motorists, but most of them have demands that need addressing, with public safety and cleanliness (Garder, 2002). Lack of seating places and choices of eateries, lack of cleanliness in the washroom and diaper changing rooms and difficulty to get parking space in a rest area especially during peak holiday seasons increases the stress level and dissatisfaction level in users of rest area . This is because number of population has increased along with the number of vehicle ownership thus leading to more people are travelling nowadays. By providing the same kind of service quality without any expansion or improvement to the rest area in terms of facilities, maintenance and helpful personnel leads to dissatisfied user and causes the journey to be stressful this is not safe as it could lead to road accidents.

As such, if the problem of inadequacy and cleanliness in the rest area is not solved, there would be more dissatisfied users which will lead to a stressful journey to unwanted accidents. As nowadays users of the rest area generally lament about the condition of rest area not being clean or the facilities are under maintenance and poor variety of food choices. Another issue being faced is the safety as parking areas are dark which could be dangerous for kidnapping, theft and raping. Due to fear of these, continuing without a rest can lead to accidents as accident is not caused by a single factor but a combination of condition of driver, condition of vehicle and road environment (The Star, March 2014) To avoid this, this study is conducted to understand what qualities a user expects in a rest area and to implement as much as possible by the developer of the new rest area in Rawang.

### **1.3 Research Objectives**

In relation to the problem statement above, the research objectives of this study are:

- a. To measure the Rawang rest area user's satisfaction level of the expected service based on the current rest area facilities.
- b. To measure the Rawang rest area user's satisfaction level of the perceived service based on current rest area facilities.
- c. To analyze the effect of perceived service quality gap on satisfaction of Rawang rest area users.

- d. To gather Rawang rest area users demographic information and travel-related and rest area usage so to identify the rest area needs and expectations.

#### **1.4 Research Questions**

The following research questions have been derived based on the problem statement discussed above:

- a. What are the service expectations satisfaction levels of Rawang rest area users on the Rawang rest area?
- b. What are the service perceptions satisfaction levels of Rawang rest area users on the Rawang rest area?
- c. What are the effects of the perceived service quality gap on the satisfaction of Rawang rest area users?
- d. What are the users demographic information and travel-related and rest area usage of the Rawang rest area users?

#### **1.5 Significance Of The Study**

This study is undertaken after knowing that the developer known as DA Land Sdn Bhd is going to build a project named The TWO as the new Rawang Rest Area with dual access from the North South Expressway as well as from Jalan Batu Arang which is the internal town road. The significance of this study is to understand the market behaviour or the

satisfaction level and perception of the users of rest areas along the highway by knowing their expectations on rest areas.

From obtaining this perceived service quality by measuring the gap of the perceived service and the expected service, this study would then help the developer to further know the expectations of the users. At this point of time, all the rest areas throughout the toll road are standard. Users on the overall do know the type of facilities available. Thus, through this understanding or this study, the developer would be able to re-strategize the project and provide the necessary amenities according to the NSE users requirements as the study would reveal the other expectations and needs of different type of facilities or other dimensions that is important and essential. This study would also help the developer to further evaluate their current strategies and would be able to match the current provisions with the expectations of the users.

## 1.6 Definition Of Key Terms

<b>Terms</b>	<b>Definition</b>	<b>Source</b>
RSA	Rest and Service Area which includes place for parking, food and beverages, toilet facilities to stop and rest	Lembaga Lebuhraya Malaysia (LLM)
NSE	North South Expressway which is a toll road starting from Bukit Kayu Hitam in the North to Johor Bahru in the South	Lembaga Lebuhraya Malaysia (LLM)
TWO	A wholesale mall comprising of Theme Park Resort, Wholesale City, Outlet Mall	The TWO Brochure, DA Land Sdn. Bhd
Service Expectation	Beliefs before the real experience	Oliver & Winer 1987
Service Perception	The quality that a customer receives	Parasuraman et. al, 1985
Perceived Service Quality	The gap when customers compare demand and the existing service	Parasuraman et. al, 1985
Customer Satisfaction	Measurement of quality between the expectations and performance	Rope et al., 1994

## **1.7 Organization Of The Dissertation**

This study consists of five chapters. Starting from Chapter 1 is the Introduction which reveals the introduction of the study relating to NSE, the developer, DA Land Sdn Bhd and the project The TWO. Also mentioned in this chapter is the problem statement, research objectives, research questions to be answered and significance of study.

Chapter 2 consists of Literature Review which reveals the literature reviewed related to this study. From the literature, related constructs and variables are being identified. The chapter ends with the development of the theoretical framework and hypotheses.

Subsequently, Chapter 3 mentions the methodologies used in this study. This chapter highlights the research design, variables, population and sample, questionnaire structure, data collection method and the type of analyses being used for this study.

Chapter 4 reveals the results findings of this study. The demographical profile of the users, descriptive analyses and statistical results are highlighted in this chapter as the result of this study being carried out.

The study is concluded with Chapter 5 discussion on the results findings. Implications and contributions are mentioned in this chapter as well as the limitation encountered. Finally, the chapter ends with the recommendations for future study to be conducted.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.1 Introduction

Understanding consumer's vacation motives and travel intention can help in developing effective marketing strategies (McGuiggan, Emerson & Glaser, 2003). The aim for improvements in infrastructure and operations on roads is to improve the quality of the current road network and the welfare of road users and citizens (Lodeniuss, 2011). As such, it is very important that the provider provides the necessary facilities that the users are satisfied with.

#### 2.2 Expressway In Malaysia

Malaysia has a land area of 329,727 sq km with a population of 29.9 million with majority of the population 68.5% are between the age group of 15 – 64 years (Department of Statistics, 2013). 91.8% are Malaysian citizens and non-citizens were 8.2%. Malaysian citizens consist of various ethnic groups such as Bumiputera (67.4%), Chinese (24.6%), Indians (7.3%) and Others (0.7%) (Department of Statistics, 2010). It is also mentioned that the number of men is outnumbered by the number of women in Malaysia.

According to Abu Bakar bin Hashim of Malaysian Highway Authority, the total length of roads in Malaysia can be divided into two categories. Toll highways equivalent to 1,492.3 km and other federal roads and state roads equivalent to 75,732.7 km which in total results to 77,225 km throughout Malaysia. Currently, there are 27 privatised toll highways in Malaysia, operated by 20 companies.

Of these expressways in Malaysia, the North South Expressway (NSE) is the longest with the total length of 772km, starting from the north in Bukit Kayu Hitam, Kedah to the southernmost tip of the peninsular at Johor Bahru. This expressway is also known as the “backbone” of the west coast of the peninsular as it connects many major cities and towns. The NSE was built in phases over a period of seven years and was finally opened in the year 1994, September 8. Ever since, the NSE has become an alternative to those travelling using the old federal route. The NSE has reduced the travelling time tremendously.

According to the Road Transport Ministry, the number of motorcars being registered in Malaysia has been on the increase generally though there was a dip in the year 2006, 2007 and 2009. Table 2.1 reveals the numbers.

Based on average of 2 passengers per pcu per hour, the Rawang rest area will be exposed to passing traffic passengers of about 7,106 and 8,948 persons per hour (Traffic Impact Assessment Report, 2012). The numbers of passing traffic passengers are expected to be lower during the non-peak hours. Based on the historical trend, traffic volume along NSE recorded average monthly growth rate of about 1.17% or close to 15% annual growth rates (Traffic Impact Assessment Report, 2012). This is a good amount of users to be attracted in order to sustain the business growth.

Year	Total
2012	628,239
2011	594,610
2010	585,304
2009	513,954
2008	537,092
2007	468,512
2006	458,294
2005	537,900

Table 2.1  
*Number of Registered Motorcar*  
*Source: Jabatan Pengangkutan Jalan Malaysia (JPJ)*

## **2.3 Types Of Rest Area**

According to Gardner's study, there are several types of rest area has been studied which are parking area, scenic overlook, 'standard' rest area, welcome centre, service plaza and weight area. The main aim is to make rest areas as a very vital part of journey using the highway systems, to provide safety and security, tourism information and also to benefit motorists. (Gardner, 2002).

In Malaysia, the PLUS Bhd. management has provided various kinds of facilities. They are classified as Rest and Service Areas, Lay-bys, Overhead Bridge Restaurants, Vista Points and Petrol Stations. Each of these provides different types of facilities to suit the different needs of the users of NSE.

### **2.3.1 Rest And Service Areas (RSA)**

There are 24 RSA along the NSE. Each RSA is located at an interval of 80km to 100km. The type of facilities that are generally provided at the rest area are toilets, food stalls, children playground, petrol stations, prayer room, ATMs, public telephones, rest shelters and air conditioned restaurants. Each RSA provides different facilities. As such, not all RSAs are the same and do not offer the same type of facilities.

### **2.3.2 Lay-Bys**

Lay-bys are a simpler facility provider compared to the RSA. The type of facilities that are being provided in Lay-bys are for short-breaks with ample parking bays, toilets, shelters and public telephone. The lay-bys are located every 25 to 50 kilometres.

### **2.3.3 Overhead Bridge Restaurants (OBR)**

There are only two OBR throughout the NSE. The first was officially opened on 11 April 1999 by the Chief Minister of Malacca in Ayer Keroh, Malacca. The second OBR was officially opened by Dato'Sri Dr Mahathir Mohamad, Prime Minister of Malaysia on 25 April 1998 in Sungai Buluh, Selangor.

The OBR are a one stop centre that provides a variety of facilities of the users of NSE. Among the provided facilities are ample of parking space, food stalls, playgrounds, petrol station, restroom, convenience stores, public telephone, prayer's room and air-conditioned restaurants. The specialties of the air-conditioned restaurants are that of the view of the traffic below.

#### **2.3.4 Vista Points**

Vista Points are special facilities provided by PLUS Berhad for NSE users to rest and relax while enjoying breathtaking views of the nature. The Vista Points overlook a long stretch of the expressway.

Vista Points are located at three major sites:

##### **Ipoh North Bound**

Location : KM 263 of NSE

Section : Central Region 1

State : Perak

##### **Vista Points Pedas Linggi North Bound**

Location : KM 224 of NSE

Section : Southern Region 2

State : Negeri Sembilan

##### **Vista Points Pedas Linggi South Bound**

Location : KM 237 of NSE

Section : Southern Region 2

State : Negeri Sembilan

As such, on the northbound NSE, Rawang has a Rest and Service Area which provides restroom, food stalls, rest shelter, prayer's room, ATM, parking bays, WI-FI, public telephone and petrol station for the convenience of the NSE users. The last stop before the Rawang RSA is

Dengkil and the next RSA is at Tapah which is 67.7 km apart. Where else, on the southbound, Rawang only has Lay-by.

According to a survey on rest area conducted by Dan Blomquist and Jodi Carson (1998) in State of Montana, it revealed that majority of rest area users, 50%-80% stopped at rest area to use the restrooms. The next primary reasons that the users stopped at the rest area was for a short rest from driving, this consists of 7%-33%. Other reasons that the users stop frequently at the rest area were to use public phones, refresh, get information on their travel and to throw rubbish, 2%-5%.

#### **2.4 Retail Sector Analysis**

According to the National Property Information Center (NAPIC) Property Stock Report, there were 101 shopping complexes located within Kuala Lumpur offering a total of 2,407,513 square meters, as at the second quarter of 2013. Where else, in Selangor, there were 116 retail complexes offering 2,997,176 square metres of retail spaces.

Besides the conventional complexes, hypermarkets and supermarkets have been aggressively setting up new outlets throughout the country. Examples of hypermarkets and supermarkets are AEON, TESCO and Giant. New specialty shopping complexes have been introduced in the market to distinguish these complexes from the conventional complexes.

Such as, IKEA, Viva Homes, Kenanga Wholesale City, Digital Mall, to name a few.

## **2.5 The Concept Of Customer Satisfaction**

Marketing is very much related to Customer Satisfaction (CS). It is a measurement of quality between the expectations and performance. Nevertheless, to actually define satisfaction has proven to be difficult and contradictory because of its multiple dimensions (Rope et al., 1994). Despite all that, customer satisfaction has become a very important sector in an organization to thrive to deliver the best product and services to their customers. Customer satisfaction is results of the experience customers had in a service (perception) and what the customer is demanding to cover the need (expectations) (Kotler, Bowen & Makens, 1999).

Service quality or customer satisfaction is formed through the difference between the actual service and the customer's demand of changes in the service (Lodenus, 2011). To say in other words, customer dissatisfaction occurs if the expectations are greater than the performance (Wisniewski, 2001). Satisfaction is basically a person's feelings, be it positive or negative, that result from comparison of a product's actual performance and demands (Kotler, Philip, 2009). A person will be feeling

overwhelmed if the outcome exceeds their expectations and will feel dissatisfied if the expectations are not addressed.

## **2.6 The Concept Of Service Quality**

Satisfaction will also depend on the quality of a product (Kotler, Keller, 2009). Normally, the goods sector is the one that is responsible in creating and ensuring quality (Parasuraman et al., 1985). Nevertheless, these days' service sectors have also adopted to measure their service qualities. According to Parasuraman research on service quality, five gaps of service quality have been identified based on Figure 2.1:

- Gap 1 Consumer expectation – management perception gap
  - The user expectations and management perceptions gap are the criteria that will have a say on the measurement of quality
- Gap 2 Management perception - service quality specification gap
  - The gap between management perceptions of user expectations and the firm's service quality specifications will affect service quality from the user's viewpoint of quality
- Gap 3 Service quality specifications – service delivery gap
  - The gap between service quality criteria and actual service delivery will affect service quality from the user's perception

- Gap 4 Service delivery – external communications gap
  - The gap between actual service delivery and external communications done for the service will affect service quality from a user's standpoint
- Gap 5 Expected service – perceived service gap
  - The quality that a consumer perceives in a magnitude and direction of the gap between demand from users and received service

Parasuraman, Zeithaml and Berry (1990) mentioned that based on the customer's experience about the service that the customer perceived through the service encounter, service quality is an extrinsically perceived attribution. According to Gronroos (1997), he highlights on what customers is really looking for and what they evaluate. The customer's stand on the quality of gradual service rendered depends on the lack of connection between the expected service and perceived service (Parasuraman et al., 1985). Customers will not be fully satisfied with the service when the expected service is higher than the perceived service. This in turn causes increasing non-compatibility between demanded service and received service (Parasuraman et. al, 1985).

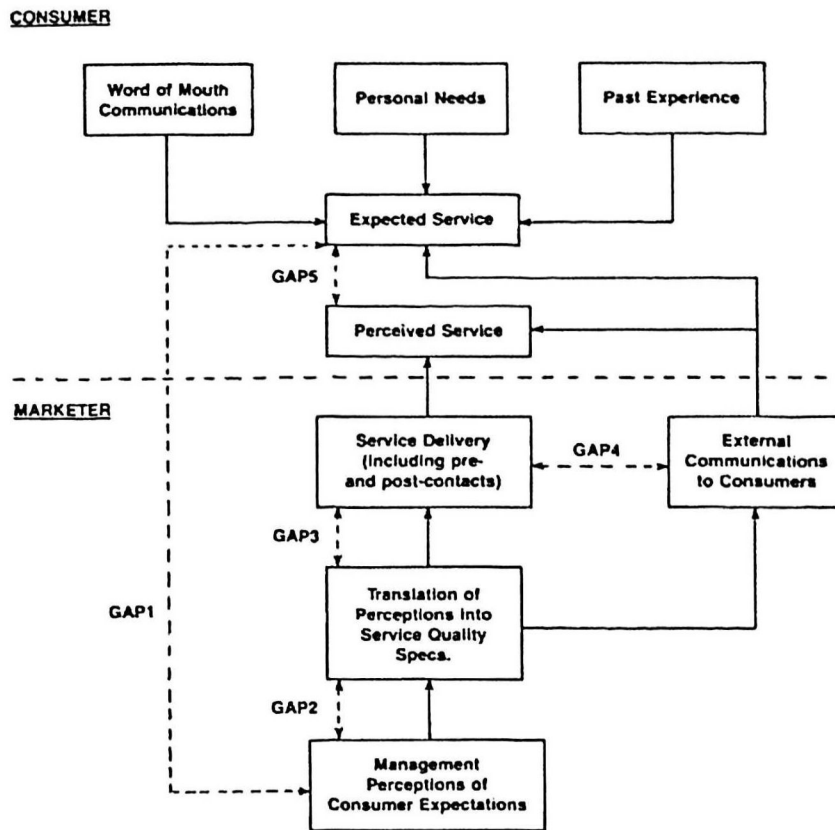


Figure 2.1, Service Quality Model (SERVQUAL)  
 Source: Parasuraman et al., 1985

## 2.7 Customer Expectations

Quoting from Andersson, M. & Liedman, G. (2013), customer expectations are beliefs before the real experience (Oliver & Winer 1987). Customer expectations should be realigned, shown and managed to enhance long term quality (Grönroos, 2007). Quoting from Kabir and Carlsson, 2010, customer expectations can be categorized as the following:

- a) Fuzzy expectations are when firms are expected to put an end to any issue but customers do not have a clear picture of the required procedures.

- b) Explicit expectations are when the customers have an image of the process before the whole experience. Two types exist, that is, realistic and unrealistic expectations
- c) Implicit expectations refer to obvious element of a service, that customers do not give a second thought about the importance of the service (Grönroos, 2007).

The expectations are normally fuzzy when the customer has less experience or knowledge of the service (Andersson. M, Liedman. G, 2013). This suggests that the customer is unable to state what exactly the customer needs for a change. Their demand becomes more plausible and clear as they learn more about the service (Andersson. M, Liedman. G, 2013).

## **2.8 Customer Perception**

Quoting Zeithaml, vital deciding factors that helps customer decide on shopping behaviour and choice are price, quality and value. The quality that a customer receives is related to the magnitude and direction of the gap between demand and received service (Parasuraman et. al, 1985).

## **2.9 Perceived Service Quality**

Service quality that is being received by consumers depends on the size and direction of the gap. This eventually depends on the gaps related to