Quality of Service of Selected Courier Service Company in Cabanatuan City: It’s Implication to Customer Satisfaction

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Abstract
The study was prepared in the conjecture that customer satisfaction reflects the quality of service of a company. Thus, this study aims to determine the customer satisfaction on the services provided by selected courier services in Cabanatuan City, Nueva Ecija for the further implication of satisfaction in meeting customers’ expectation. The study used the descriptive-quantitative method of research. This research method is a combination of two model; descriptive and quantitative. More specifically, the researchers want to know the relationship between respondents’ socio-demographic profile and the level of satisfaction and how significant is the difference between customers and employees satisfaction. The study used statistical data to analyze the results using Pearson Product Moment Correlation to measure the relationship of the socio-demographic profile and t-test for the significant difference on the customers and employees satisfaction, and a Cronbach’s alpha was executed on a sample size of 26 customers of LBC , the 20% of the target respondent.
The findings revealed that customers are satisfied with the services of courier companies. The level of satisfaction has indicated a significant relationship to some area of services. It shows that the satisfaction of the respondents is significant among the total population of the customers in the courier services. The findings also show the high expectation of customers which need to be addressed by the courier companies.

Key Terms: courier services, quality of service, customer satisfaction, customer expectation, the theory of service

INTRODUCTION
 Courier service serves as a messenger of every family who is far from each other. Its main task is to send important items like money, documents, and other goods. Thus, it is important that the company meet the demand of the customers, especially on the quality of service. Customers are the heart of the business. They are the foundation, the key element for success and the end user of the product/service. Their loyalty to the business brings feedback to the provider and leaves a positive impact especially if the company fulfills their demand and need.

According to Asong (2012), customer satisfaction is a business term that measures how the company meets or surpass a customer’s expectation from the products or services they supplied. It is a performance indicator within the business, and many studies show that it provides marketers and business owners a metric [indicator] which can be used to manage and improve businesses.

Some studies show that a very satisfied customer is nearly six times more likely to be loyal and to repurchase and/or recommend a product than to a customer who is just satisfied. Moreover, the significant increase in loyalty can increase more or less half of the company’s profit. Interestingly, a satisfied customer can tell five other people about the good treatment they experience (Cacioppo, 2000).

For many years, the use of technology became a tool for faster and easier service from one place to another. Express or courier services simplify and speed up the process of transporting goods. People are saved from hassles of traveling too far. This industry brings a big impact on the global economy. It also helps in the facilitation of trade and ensuring the company’s best possible access to the market. This study will provide insights into the customers and employees of a courier services company. Furthermore, it is the first step to further investigation on courier companies in Cabanatuan City, which may contribute to the improvement of the industry’s service.
Statement of the Problem
The study aimed to determine the level of satisfaction of the customer regarding the quality of services rendered by selected courier companies in Cabanatuan City. Specifically, it aimed to answer the following questions:

1. How may the socio-demographic profile of the customers be described in terms of:
   1.1 age;
   1.2 sex;
   1.3 length of patronage; and
   1.4 the frequency of transaction?

2. How may the socio-demographic profile of the employees be described in terms of:
   2.1 age;
   2.2 sex;
   2.3 educational attainment; and
   2.4 year in service?

3. What is the level of satisfaction of the respondents of the courier in quality of services in terms of:
   3.1 physical facilities;
   3.2 system/process of service and delivery;
   3.3 financial/economic;
   3.4 auxiliary services; and
   3.5 staff behavior/skills?

4. How may the level of satisfaction be associated with the profile of:
   4.1 customers in terms of:
      4.1.1 age;
      4.1.2 sex
      4.1.3 length of patronage; and
      4.1.4 the frequency of transaction?
   4.2 employees in terms of:
      4.2.1 age;
      4.2.2 sex
      4.2.3 educational attainment; and
      4.2.4 year in service?

5. Is there a significant difference in the satisfaction of customers and employees in terms of:
   5.1 physical facilities;
   5.2 system/process of service and delivery;
   5.3 financial/economic;
   5.4 auxiliary services; and
   5.5 staff behavior/skills?

Hypotheses
In the conduct of the study, the researchers assumed two null hypotheses:
Ho1= there is no significant relationship between the profile of the customers and employee and their level of satisfaction in the quality of service.

Ho2= there is no significant difference in the satisfaction of the customer and employee in the quality service.

Theoretical Framework
This study was anchored in Routio’s Theory of Service (2007). It emphasizes that in a service it is very important to consider the involvement of the people who are in the process of service (customer and employee). This study presumed that customer is the user of the service while the employee is the provider of service. The customer is the one who experiences the service, and from this experience, the unconscious expectation was made. This expectation which needs to be satisfied by the company is customer satisfaction. It was also
supported by Kotler and Keller (2006) by stating that the expectation of the customer to the service provider has an implications on how customers evaluate its quality. This service expectation may cause for many sources, such as past experiences, word of mouth and advertising.

**METHODOLOGY**

The study used the descriptive-quantitative method of Research. This research method is a combination of two model; descriptive and quantitative. According to Vizcaya (2003), it involves description, recording, analysis, and interpretation of the conditions or relationship that exist, practices that prevail, beliefs and processes that are going on, the effects that are being felt or trends that are developing.

The study had two sets of respondents; (1) 130 customers of the selected courier company and (2) 9 employees the selected courier company. The customers were allocated to 44 for JRS Express, 43 for DHL Express and 43 for ABest Express. The employees of JRS Express, DHL Express, and ABest were 4, 3, 2 respectively.

The content of the questionnaire was validated through its content, anchored with the theory of service. Several revisions were made such as the socio-demographic. Moreover, in order to understand whether the questions in this questionnaire all reliably measure the same latent variable, a Cronbach's alpha was executed on a sample size of 26 customers of LBC, the 20% of the target respondent. The collected data were subjected to SPSS. After the analysis of the data from the pilot test, the test got a result of a = 0.78 which corresponds to acceptable. This result suggests that the items in the test when the constitute to a random sample from a larger universe of items, it can be viewed as a measure of how well the sum score on the selected items capture the expected score in the entire domain or the universal score, even if that domain is heterogeneous. Thus, the questionnaire was used and administered to collect the data needed in the study.

**To test the relationship and differences between variables the following statistical treatments were used:**

A. **Pearson Product Moment Correlation:** A measure of the correlation (linear dependence) between two variables X and Y, giving a value between +1 and −1 inclusive. It is widely used in the sciences as a measure of the strength of linear dependence between two variables (Rayo, 2015). It is used to measure the relationship of the socio-demographic profile to the level of satisfaction.

B. **T-test:** A statistical tool assesses whether the means of two groups are statistically different from each other. It is used to measure the significant difference between customers and employees’ satisfaction.

C. All computations were done using Microsoft Excel and Statistical Packages for Social Sciences.

**RESULTS AND DISCUSSION**

This study focused on determining the customer’s level of satisfaction in Courier Services within Cabanatuan City, Nueva Ecija. The 130 customers and 9 employees were used as respondents to answer the questionnaire. The questionnaire was the main instrument in gathering data and consisted of structured and closed-ended questions.

**Customers’ Socio-Demographic Profile**

Majority of the customer-respondents belonged to the age bracket of 27-35 years old (33.08%), predominantly males (51.54%), using the service for 1-3 years (41.54%) and for once a month transactions (26.92%).

**Employees’ Socio-Demographic Profile**

Majority of the employee respondents belonged to the age bracket of 36-43 years old (55.56%), predominantly males (66.67%), college graduate (66.67%) and has been 6 years and above in service.

**Level of Satisfaction of Customers and Employees**

The average weighted mean of customer level of satisfaction on the physical facilities was M=4.18 and interpreted as “Satisfactory.” Customers’ level of satisfaction with regard to the system/process of service and delivery had an average weighted mean of 4.46 and interpreted as “Very Satisfactory.” Customers’ level of satisfaction on the financial/economic received an average weighted mean of 4.52 and interpreted as “Very Satisfactory.” The average weighted mean of customers’ level of satisfaction on the auxiliary services had an average weighted mean of 3.90 and interpreted as “Satisfactory.” And the average weighted mean of the Customers’ Level of Satisfaction on the Staff Behavior/Skills was 4.61 and interpreted as “Very Satisfactory.”
The average weighted mean of the employee-respondents level of satisfaction on the physical facilities was 4.04 and interpreted as “Satisfactory.” Employees’ level of satisfaction with regard to the system/process of service and delivery had an average weighted mean of 4.74 and interpreted as “Very Satisfactory.” Employees’ level of satisfaction on the financial/economic received an average weighted mean of 4.78 and interpreted as “Very Satisfactory.” The average weighted mean of employees’ level of satisfaction on the auxiliary services had an average weighted mean of 4.33 and interpreted as “Very Satisfactory.” And the average weighted mean of the employees’ Level of Satisfaction on the Staff Behavior/Skills was 4.96 and interpreted as “Very Satisfactory.”

Table 1. Level of Satisfaction of Customers and Employees

<table>
<thead>
<tr>
<th>Customers’ Socio-Demographic Profile (N = 130)</th>
<th>Level of Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>Physical Facilities</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>.06</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.50</td>
</tr>
<tr>
<td>Sex</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.04</td>
</tr>
<tr>
<td>Length Of Patronage</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.83</td>
</tr>
<tr>
<td>Frequency Of Transaction</td>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.01</td>
</tr>
</tbody>
</table>

Significant Relationship Between Customers’ and Employees’ Socio-Demographic Profile and the Level of Satisfaction

The level of satisfaction of the customers was correlated with its socio-demographic profile. There is a highly significant correlation between the frequency of transaction among the physical facilities (r=.24**), auxiliary service (r=.36**), and staff behavior (r=0.25**). It also shows that sex has a significant correlation to the physical facilities (r=18*). Age and length of patronage show no significant correlation to the level of satisfaction of the customers.

There is no significant correlation between employees’ socio-demographic profile and the level of satisfaction in the area of services of the courier companies.

Table 1. Significant Relationship of Employees’ Socio-Demographic Profile to the Level of Satisfaction

<table>
<thead>
<tr>
<th>Customers’ Profile</th>
<th>Socio-Demographic (N = 9)</th>
<th>Level of Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>Pearson Correlation</td>
<td>Physical Facilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.20</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.60</td>
</tr>
<tr>
<td>Sex</td>
<td>Pearson Correlation</td>
<td>-.49</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.18</td>
</tr>
<tr>
<td>Educational Attainment</td>
<td>Pearson Correlation</td>
<td>.40</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.29</td>
</tr>
<tr>
<td>Years In Service</td>
<td>Pearson Correlation</td>
<td>.04</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.91</td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.05 level (2-tailed).  ** Correlation is highly significant at the 0.01 level (2-tailed).
Significant Difference in the Level of Satisfaction between Customers and Employees

Only the auxiliary services area of service has no significant difference (sig.05) on the level of satisfaction between customers and employees. Physical facilities, system/process of service and delivery, and even staff behavior have a difference between customers and employee’s satisfaction in the area of service of courier services. It partially accepts the null hypothesis “there is no significant difference in the satisfaction of the customers and employee in the quality of service.” It shows that the satisfaction of the respondents is significant among the total population of the customers in the courier services. As a recent study, the employees’ expectation has a significant relationship with customer’s satisfaction. One thing that a company needs to consider is the customers’ expectation. If the Expectation Exceeds by the Employees’ Satisfaction, it reflects good performance (standards of the company) however, if the customer’s satisfaction exceeds employees expectation (satisfaction) the company needs to consider the further improvement of the service.

### Area of Service

<table>
<thead>
<tr>
<th>Area of Service</th>
<th>Levene’s Test for Equality of Variances</th>
<th>t-test for Equality of Means</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>Sig.</td>
</tr>
<tr>
<td>Physical Facilities</td>
<td>Equal variances assumed</td>
<td>1.71</td>
</tr>
<tr>
<td>Process of Service</td>
<td>Equal variances assumed</td>
<td>.011</td>
</tr>
<tr>
<td>Financial/ Economical</td>
<td>Equal variances assumed</td>
<td>1.72</td>
</tr>
<tr>
<td>Auxiliary Services</td>
<td>Equal variances assumed</td>
<td>2.87</td>
</tr>
<tr>
<td>Staff behavior</td>
<td>Equal variances not assumed</td>
<td>3.025</td>
</tr>
</tbody>
</table>

### Conclusions

Based on the findings, the following conclusions were drawn:

1. The satisfaction of customers and employees of the Courier Companies to the physical facilities are satisfactory. The researchers concluded that both respondents see the need for improvement in the accessibility and condition of physical facilities in the courier services, specifically with the ventilation and to the number of facilities and equipment present in the establishment.

2. Pertaining to the satisfaction of customers and employees to the system/process of service and delivery, both respondents are very satisfied. This made the researchers conclude that this area of service meets the expectation of customers and ideal to both sets of respondents.

3. In terms of financial/economic area of service, the level of satisfaction of both customers and employees are very satisfactory. This means that the prices charged by the courier company are reasonable to the customers and the employees believed that their company provides appropriate prices.

4. As to the auxiliary services, the level of satisfaction of customers is satisfactory while the employees are very satisfactory. The researchers concluded that the satisfaction of employees with regard to their auxiliary services, like the convenience and accessible location, availability of safety and security equipment and advertisement exceeds the satisfaction of their customers. Therefore, the expectations of the customers are higher than the satisfaction of the employee.
5. Based on the level of satisfaction in staff behavior/skills, customers and employees are very satisfied. It can be drawn that the employees are very well-trained and oriented. This is the reason why they build good rapport for the customers.

6. In the level of satisfaction of customers, the physical facilities, auxiliary services, and staff behavior/skills are significantly correlated to the frequency of transaction of the customers. The researchers concluded that the availability and the condition of physical facilities have a big influence on the frequency of transaction of customers. Also, the location, safety and security equipment, and advertisement greatly affect the frequency of transaction of customers. If the customers feel protected inside the establishment, they will use the service more often. And even the attitude of the staff has a big influencing factor in how often the customers use the services of Courier Company.

Recommendations
Based on the results of the study, the following were recommended by the researchers:

1. The Courier Services Owners
   - as to the satisfaction, particularly in physical facilities that they must improve their ventilation, facilities, such as chairs for the comfortability of the customers
   - as to the result in auxiliary services, it is suggested that they should use a different way of advertising of their services to attract and encourage more customers and to better understand about the services they provide. In addition, courier companies should also provide more safety and security equipment to assure the protection of the customers and employees and their valuable things inside the establishment.
   - That they can use the result of the socio-demographic profile of the customers to know the target customers of their marketing management.
   - As to the number of employees in the establishment, they must hire more workers to give immediate assistance to every customer coming to their establishment.

2. Customers
   - With regard to their satisfaction, it is recommended to inform the management about their feedback and suggestion to the services that need improvement and to the services that should be maintained.

3. The Future Businessmen – to adopt and use the result of this study in building a similar business that provides services which is ideal to the customers.

Reference


