

## Exploring the Relationships between Service Quality and Customer Loyalty: A Study on Menoufia University Hospitals in Egypt

**Author Details: Wageeh A. Nafei-**  
University of Sadat City, Menoufia, Egypt

### **Abstract**

**Purpose:** *The purpose of this study is to examine the relationship between Service Quality (SQ) and Customer Loyalty (CL).*

**Research Design/Methodology:** *To assess positive SQ, refer to (SQ Questionnaire, Cronin & Taylor, 1992) and CL (CL Questionnaire, Parasuraman, 1996). The data of the study was collected from 300 employees at Menoufia University Hospitals in Egypt. Out of the 338 questionnaires that were distributed to employees at Menoufia University Hospitals in Egypt, 300 usable questionnaires were returned, a response rate of 88%. Multiple Regression Analysis (MRA) was used to confirm the research hypotheses.*

**Findings:** *The research has found that there is significant and positive relationship between SQ and CL at Menoufia University Hospitals in Egypt. The finding reveals that SQ affects CL. This study has been specifically conducted to seek empirical justification by considering SQ as the main contributory factor towards CL.*

**Practical implications:** *Learning the relationships between SQ and CL, retailers can effectively allocate their resources and develop a rational plan to improve their SQ under specific business circumstances. In addition, by referring loyal customers, Menoufia University Hospitals can attract more customers. Managers are advised to satisfy and better manage their relationships through quality product and service offerings to their customers as a competitive policy in the marketplace. Menoufia University Hospitals are required to offer products/services that meet or surpass consumers' expectation. The study also reveals interesting implications in SQ and CL, useful to both academics and practitioners. Managers will find this research helpful in better understanding these variables and their roles on their companies' performance.*

**Originality/value:** *This research dealt with SQ in terms of its concept and dimensions, in addition to dealing with the CL at Menoufia University Hospitals in Egypt.*

**Keywords:** *service quality, customer loyalty*

### **1. Introduction**

Service Quality (SQ) and Customer Loyalty (CL) are very important concepts that companies must understand if they want to remain competitive and grow. In today's competitive environment, delivering high quality service is the key for a sustainable competitive advantage (Angelova & Zekiri, 2011).

CL is expressed through emotional loyalty and behavior loyalty. Among them emotional loyalty assumes that the customer is highly recognized and satisfied for the belief, behavior and vision impression of the enterprise. Moreover, behavior loyalty is expressed through the repeating buying behavior for the product or service of the company (Thomas & Tobe, 2013).

CL is a well known and established concept in several areas like marketing, consumer research, economic psychology, welfare-economics, and economics. CL has long been a topic of high interest in both academia and practice (Ganiyu et al., 2012).

CL has long been a topic of high interest in both academia and practice, and a loyal customer base has been found to be beneficial to the firm. Most companies strive for CL as the competition in most sectors grows tighter, both the importance of, and the challenge in, keeping CL increases. It is loyal customers that generate increasing profits for each additional year they are retained (Michael et al., 2008).

This study is structured as follows: Section one is introductory. Section two presents the literature review. Section three discusses the research methodology. Section four presents the hypotheses testing. Section five explains the research findings. Research recommendations will take place at section six. Section seven handles the research implications. Limitations and future research will take place at section eight. Conclusion will be provided at the last section.

### **2. Literature Review**

#### **2.1. Service Quality**

There are many definitions regarding the concepts of service. Services are deeds, processes, and performances (Parasuraman et al. 1985).

Services are increasingly becoming a larger portion of many organizations' regionally, nationally, and globally and are considered as a tool for revenue streams. Today's knowledge intensive services businesses require reliable methods of measurement, assessment, and improvement (Spohrer & Maglio, 2008).

Services are a continuous process of on-going interactions between customers and service providers comprising a number of intangible activities provided as premium solutions to the problems of customers and including the physical and financial resources and any other useful elements of the system involved in providing these services (Grönroos, 2004).

Service as is any activity or benefit that one party offers to another which is essentially intangible and does not result in the ownership of anything, and it may or may not be tied to a physical product (Kotler et. al., 1999).

Service is any primary or complementary activity that does not directly produce a physical product - that is, the non-goods part of the transaction between customer and provider (Payne, 1993).

The heterogeneous nature of service hinders the consistency of service delivery and thus, assessment of SQ. What the establishment had intended to deliver might be quite different from what the patrons received. An understanding of the characteristics of service is necessary in the selection of an appropriate instrument to measure SQ. Such an instrument needs to accommodate the difficulties raised above and recognize that the quality of services is more difficult for customers to evaluate than the quality of goods, and that quality assessments are made not only on the service outcome, but also on the process of service delivery (Zeithaml, 1981; Parasuraman et al., 1985).

Service is an activity or series of activities of more or less intangible nature that normally, but not necessarily, take place in interactions between the customer and service employees and /or systems of the service provider, which are provided as solutions to customer problems (Gronroos, 1984).

Service is a package of explicit and implicit benefits performed with a supporting facility and using facilitating goods (Sasser et. al., 1978).

Quality was seen as a defensive mechanism but it is seen as a competitive weapon for emergence of new markets as well as growing market share (Davis et al, 2003).

Quality has been defined as fitness for use, or the extent to which a product successfully serves the purposes of consumers (Beverly et al., 2002).

Quality is a multi-dimensional phenomenon. Thus, reaching the SQ without distinguishing the important aspects of quality is impossible. There are three dimensions of output technical quality, service performance quality, and organization's mental picture (Gronroos, 2000).

Quality is considered as an investment for company, where the efforts for its improvement result in an increased clientele, increased levels of purchase from existing customers, and a rise in the company's profits (Parasuraman et al., 1985; Reichheld & Sasser, 1990; Rust et al., 1995).

Quality refers to the matching between what customers expect and what they experience (Berry et al., 1988).

Quality has been recognized as a strategic tool for attaining efficiency and business performance. With service assurance companies not even retain their existing customers but increase chances of getting and attracting new customers. Quality is one that satisfies the customer (Crosby, 1984; Eiglier & Langeard, 1987).

Quality involves eliminating 'internal failures' (defects before the product leaves the factory) and 'external failures' (defects after product use); (Garvin, 1983).

SQ has more directly influences on CL. It is one of the key elements which may influence customer's behavior. SQ decides whether the customer is loyalty or not. Therefore, improving SQ can increase CL (Deng, 2015).

SQ of an organization is becoming an important competition factor in the business field (Veldhuisen, 2011).

SQ is the overall assessment of a service by the customers (Eshghi et al., 2008). SQ is the difference between customer's expectations for the service encounter and the perceptions of the service received (Munusamy et al., 2010).

SQ is determined by calculating the difference between two scores where better SQ results in a smaller gap (Landrum, et al., 2008).

SQ is a key to gain a competitive advantage in services industry. The satisfaction level of customers is dependent on their perception of SQ and the trust in service provider (Ismail et al., 2006; Aydin & Özer, 2005).

SQ is the result of the comparison that customers make between their expectations about a service and their perception of the way the service has been performed (Caruana, 2002).

SQ has gained tremendous attention from managers and academics due to its considerable influence on business performance, cost reduction, CL and profitability (Gummesson, 1998; Sureshchander et al., 2002).

SQ has been conceptualized as the difference between customer expectations regarding a service to be received and perceptions of the service being received (Grönroos, 2001).

SQ has become a popular area of academic research and has been acknowledged as an observant competitive advantage and supporting satisfying relationships with customers (Zeithaml, 2000).

SQ is the meeting or exceeding customer expectations or as the expectations of service (Nitecki & Hernon 2000).

SQ is a casual relationship between SQ and satisfaction and that the perceptions of SQ affect the feelings of satisfaction and/or dissatisfaction by the customer (Fornell et al., 1996).

SQ is a global judgment, or attitude, relating to the superiority of the service. SQ presents 'the consumer's overall impression of the relative inferiority/superiority of the organization and its services. Therefore, SQ is a key of survival to all servicing companies (Parasuraman et al., 1994).

SQ is viewed as a form of attitude representing a long-run overall evaluation. Maintaining SQ at a certain level and improving SQ must be life-time efforts to those companies who desire life-time prosperity in customers' heart (Cronin & Taylor, 1992).

SQ is a difference between customer expectations of 'what they want' and their perceptions of 'what they get (Gronroos, 1990).

SQ is a tool for gaining competitive advantage and lead in a market-driven system has been well recognized by the organizations. However in current highly competitive corporate environment it has become increasingly important to not only become the market leader but also to maintain that top position (Zeithaml et al., 1996; Boltan & Drew, 1991).

SQ is the customer perception of how does a service meets or exceeds their expectations (Czepiel, 1990).

SQ delineates two rather distinct facets of the construct: a technical dimension (the core service provided) and a functional dimension (how the service is provided). Product quality was traditionally linked to the technical specifications of goods, with most definitions of quality arising from the manufacturing sector where quality control has received prolonged attention and research (Grönroos, 1984; 1990).

SQ has been referred as the extent to which a service meets customers' needs or expectations (Lewis & Mitchell, 1990; Dotchin & Oakland, 1994). It is conceptualized as the consumer's overall impression of the relative inferiority or superiority of the services (Zeithaml et al., 1990).

SQ has become a major area of attention during the past few decades for managers, researchers, and practitioners because of its huge impact on business performance of firms. Customers prefer and value companies that provide high SQ. Thus, the attainment of quality in products and services has become a drive concern of the 1980s (Brown & Swartz, 1989).

Customers judge SQ relative to what they want by comparing their perceptions of service experiences with their expectations of what the service performance should be. Marketers described and measured only quality with tangible goods, whereas quality in services was largely undefined and un-researched (Brown & Swartz, 1989).

SQ was developed as the overall evaluation of a specific service firm that results from comparing that firm's performance with the customer's general expectations of how firms in that industry should perform. SQ is the global evaluation or attitude of overall excellence of services. SQ has become a significant differentiator and the most powerful competitive weapon that organizations want to possess (Berry et al. 1988).

SQ gives a sustainable competitive advantage to any business. It enables them to fulfill not only the present needs of their customers satisfactorily, but also to anticipate their future needs. This ability to anticipate the future needs of customers allows them to delight their customers through quality services on

consistent basis. Subsequently it enhances CL level towards these organizations (Gantasala & Prabhakar, 2010; Wisniewski, 2001; Zeithaml, 1988).

SQ is interpreted as perceived quality which means a customer's judgment about a service. SQ is the degree of discrepancy between customers' normative expectation for service and their perceptions of service performance (Parasuraman et al., 1985).

SQ had ten dimensions such as reliability, responsiveness, competence, access, courtesy, communication, creditability, security, understanding/knowing the customers and tangibility. These ten dimensions were cut down to five namely, tangibility, reliability, responsiveness, assurance and empathy. They are as follows (Parasuraman et al., 1988):

1. **Tangibility:** This dimension includes the appearance of physical facilities, equipment personnel and communication materials used to communicate with customers. Elements within the tangibles dimension are cleanliness, space, atmosphere, appearance of server and location.
2. **Reliability:** It is the ability to perform the promised services dependably and accurately. The elements of reliability are speed, willingness to respond, accuracy and dependability.
3. **Responsiveness:** It is the willingness to help customers, and provide prompt service. Its elements include that of reliability.
4. **Assurance:** It is the knowledge and courtesy of employees and their ability to convey trust and confidence. Assurance may be measured using elements of knowledge, communications and caring for the customer.
5. **Empathy:** It is the provision of caring individualized attention to customers. Its elements are the same as assurance.

SERVQUAL scale is the most famous measure of SQ. SERVQUAL is applicable in an extensive spectrum of service domains such as financial institutions, libraries, hotels, and medical centers. Many researchers have tried to use this tool in different service domains (Zeithaml et al., 1996; Parasuraman et al., 1988; 1994).

In many private research studies, SERVQUAL has been constructively deployed (Parasuraman et al., 1991). Moreover, several published research studies have positively discussed the SERVQUAL framework and have assessed the validity and reliability of this measure (Crompton & Machay, 1989; Webster, 1989; Woodside et al., 1989; Johnson, et al., 1988; Babakus & Boller, 1992; Brensinger & Lambert, 1990; Finn & Lamb, 1991).

## 2.2. Customer Loyalty

Oxford Dictionary defines loyalty as a state of true allegiance. But the mere repeated purchase by customers has been mixed with the above mentioned definition of loyalty. In service domain, loyalty has been defined in an extensive form as observed behaviors (Bloemer et al., 1999).

Loyalty is best measured by continued buying behavior (Goodman, 2009). Loyal is about earning people's enthusiastic commitment to a relationship that will improve their lives over a long term. Hence, CL is about earning customers' trust and improving the enterprise' benefits (Reichheld, 2001).

Loyalty is a primary goal of relationship marketing and sometimes even equated with the relationship marketing concept itself (Sheth & Parvatiyar 1999).

Loyalty shows a customer's positive attitude for the repeating buying behavior on certain products or services. CL refers to the influences of quality, price, service and many relevant factors. These factors can create intensity feelings on certain products or services so that the products or services become preference (Gremler & Brown, 1999).

Loyalty is present when favorable attitudes toward the brand are manifested in repeat buying behavior (Keller, 1993).

Loyalty is not merely a behavior; it is a function of underlying psychological factors as well. They propose the definition of brand loyalty as the biased behavioral response expressed over time by some decision-making unit with respect to one or more alternative brands out of a set of such brands. Attitudinal loyalty is the consumer's predisposition towards a brand as a function of psychological processes (Jacoby & Chestnut, 1978).

There are three attitudinal measures of loyalty, which are: (1) the likelihood of continuing to do business or re-purchasing, (2) the likelihood of expanding the business or purchasing, and (3) the

willingness to recommend or serve as a reference. There is a growing body of research that indicates that loyalty is developed in ways that are more dynamic and complex than reflected in the common satisfaction (Gremler & Brown, 1998; Fournier et al., 1998; Oliver, 1999).

CL is influenced by the quality of product or service and many other factors. It can make the customer emotionally involved with the product or service. Especially for hotel industry, since the service chain is complicated, every detail in this chain could make an effort on attracting customers (Dickie, 2008).

CL is the adherence of customers to a company. Even if businesses make mistakes, loyal customers will not leave. CL is the consumer behavior, built on positive experience and value, which leads to buying products, even when that may not appear to be the most rational decision. Furthermore, the concept was later divided into behaviouristic and non-behaviouristic dimensions where the latter is more focused on the underlying causes of CL and attitudes of consumers (Peppers & Rogers, 2004). So, in the investigation of CL, it is valid to explore two fields: the behavior of consumers and their intentions (Kincaid, 2003; Schweizer, 2008).

CL seems to be based on a collection of factors. The first is trust. Consumers must trust the vendor or product they encounter. Second, the transaction or relationship must have a positive perceived value greater than that supplied by competitors. Third, if marketers build on the first two factors, they may be able to create a level of positive customer emotional attachment. That emotional response may be commitment to their brands that is resistant to change (Kumar & Shah, 2004; Pitta, et al, 2006).

CL is a feeling of association which a customer has towards a brand. This feeling incites customer for acquiring a good or service repeatedly. Subsequently this generates sizeable and better financial outcomes for the firm. (Duffy, 2003).

CL means the repeating purchase behavior based on personal preference of certain product or service. Loyalty customers are the most competitive advantage of an enterprise (Griffin, 2002).

CL represents actual repeat purchase of products or services that includes purchasing more and different products or services from the same company, recommending the company to others, and reflecting a long-term choice probability for the brand (Feick et al., 2001).

CL has long been regarded as an important goal of any corporate entity (Reichheld & Scheffer, 2000).

CL is dependent on a number of customer related factors, i.e. how customers perceive the business rather than what the business really does. Given all these benefits, it's only natural that businesses should turn to a diverse range of tools to develop CL. Every company seems to have a different formula for making that loyalty happen. Such initiatives include creation of valuable customer experiences, creation of resonant brand, proactive marketing initiatives, quality control processes, and customer relationship management (Stone et al., 2000).

CL is a crucial factor in companies' growth and their performance. Loyalty is linked with the repeat business. Thus, a customer is loyal when he is frequently repurchasing a product or service from a particular provider. Loyalty is a deeply held commitment to re-buy or re-patronize a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behaviour (Oliver, 1997; Kotler, 2000).

CL is the result of an organization's creating a benefit for customers so that they will maintain and increasingly repeat business with the organization (Anderson, & Jacobsen, 2000).

CL shows a customer's positive attitude for the repeating buying behavior on a certain product or service. CL is not only a repeating purchasing behavior, but also a high quality of inclination. It is a combination of inclination and repeating buying behavior. It shows high trust to the quality of product or service, also the belief for the enterprise and its product or service. Furthermore, if the same type produce or service is needed in the future, this certain product or service would be the first choice. This is the preference of the customer, moreover, as the result of preference, it turns to repeating purchasing behavior (Gremler & Brown, 1999).

CL can be divided into three categories which include behavior, intentional and emotional. Behavior loyalty is the repeating purchasing behavior. Intentional loyalty is the possible buying intention. Emotional loyalty is the attitude of customers for the enterprise and its product or service, the customer may help the company publicize its product or service positively (Gremler & Brown, 1999).

CL often costs less to the firm because they know the products and services and require less information. They even serve as part-time employees up to some extent. Therefore, CL not only need less information themselves about product and service offerings but also serve as an information source for prospective customers of the firm. In order to ensure CL and restrict switching behavior, financial institutions of 21<sup>st</sup> century must be able to anticipate the needs of their customers because a customer's interest in maintaining a loyal relationship depends on the firm's ability to anticipate customer's future needs and demands and offering them before anyone else (Kandampully, & Duffy, 1999).

In e-commerce, loyal customers are considered extremely valuable. Today, e-retailers are seeking information on how to build CL. Loyal customers not only require more information themselves, but they serve as an information source for other customers (Pavlou 2003; Papadopoulou et al., 2001).

The behavioral typology to CL is primarily concerned with measures of repeat purchase, proportion of purchases. Although, this is considered to be a relevant measure, the main criticism of this typology is that it does not include the customer's motives for their behavior. Therefore, attitudinal approaches to loyalty have been developed. While a behavioral approach to loyalty is still valid as a component of loyalty, it is argued that attitudinal approaches to loyalty should supplement the behavioral approach (Samuelson & Sandvik, 1997).

CL is created when customers become advocate of an organization without any incentive. Also, CL refers to a deeply held commitment to re-buy a preferred product or service in the future despite situational influences and marketing efforts having the potential to cause switching behavior (Oliver, 1997).

CL expresses an intended behavior related to the product or service or to the company. CL is the mind set of the customers who hold favorable attitudes toward a company, commit to repurchase the company's product/service, and recommend the product/service to others (Pearson, 1996).

CL is comprised of both customers' attitudes and behaviors. Customers' attitudinal component represents notions like: repurchase intention or purchasing additional products or services from the same company, willingness of recommending the company to others, demonstration of such commitment to the company by exhibiting a resistance to switching to another competitor (Cronin & Taylor, 1992; Narayandas, 1996; Prus & Brandt, 1995), and willingness to pay a price premium (Zeithaml et al., 1996).

CL is viewed as the strength of the relationship between an individual's relative attitude and repeat patronage. CL is not only a behavioral phenomenon, besides the behavior aspects, loyalty refers to the attitude of a customer. The two dimensions of CL, relative attitude and repeat patronage, will indicate four types of loyalty (Dick & Basu, 1994).

CL is considered an important key to organizational success and profit. Firms with large groups of loyal customers have been shown to have large market shares, and market share, in turn, has been shown to be associated with higher rates of return on investment (Raj, 1985; Reichheld & Sasser, 1990).

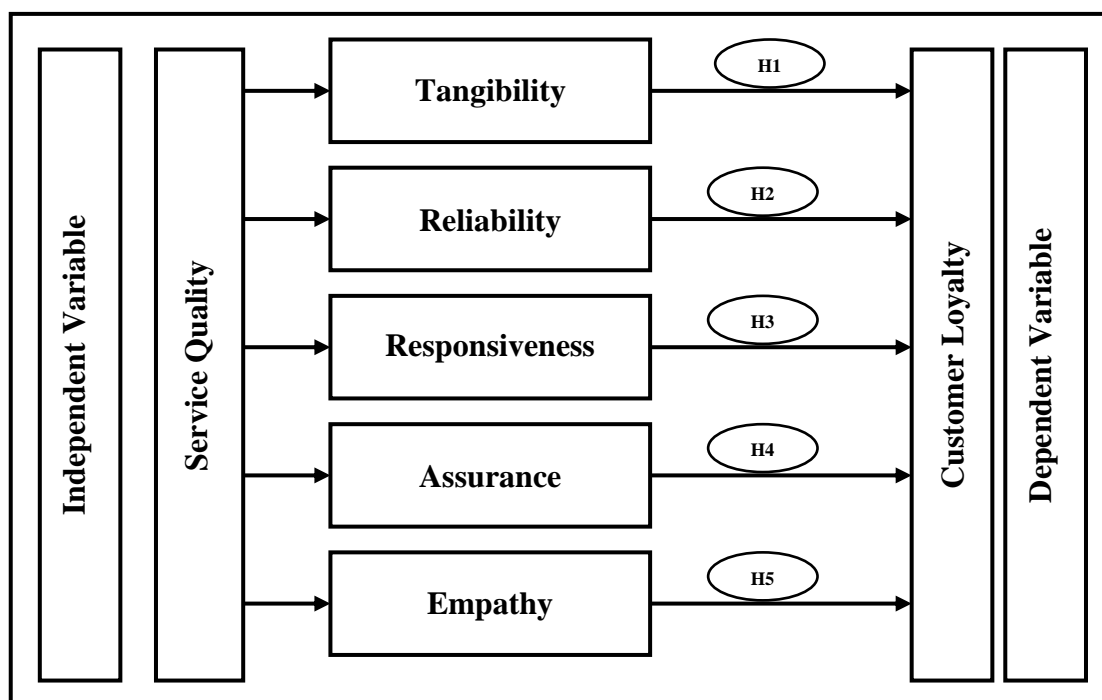
CL motivates customers for repeat purchases and persuade them to refer those products or services to others (Heskett et al., 1994).

### **3. Methodology**

#### **3.1. Research Model**

The proposed comprehensive conceptual model is presented in Figure (1). The diagram below shows that there is one independent variable of SQ. There are one dependent variable of CL. It shows the rational link among the three types of observed variables i.e. independent, dependent, and mediating variables.

Figure (1)  
Proposed Comprehensive Conceptual Model



An in-depth literature review pointed out that SQ and CL are related to each other. In other words, there is a positive relationship between SQ and CL.

So literature suggests that SQ has a relationship with CL (Cavana et al, 2007; Garland & Gendall, 2004; Henkel et al, 2006; Heskett et al, 1997; Kao, 2009; Lai, 2004; Naeem & Saif, 2009; Rauyruen et al, 2007; Yu & Dean, 2001; Ziethalm et al, 2008). From the above discussion, the research framework suggests that SQ plays a significant role in affecting CL. SQ as measured consisted of reliability, responsiveness, assurance, empathy and tangibility (Cronin & Taylor, 1992). CL is measured in terms of the intention of the spoken word, sensitivity to price, and the behavior of the complaint (Parasuraman, 1996).

### 3.2. Research Questions and Hypotheses

The researcher found the research problem through two sources. The first source is to be found in previous studies, and it turns out that there is a lack in the number of literature reviews that dealt with the analysis of the relationship between SQ and CL at Menoufia University Hospitals in Egypt. This called for the researcher to test this relationship in the Egyptian environment. The second source is the pilot study, which was conducted in an interview with (30) employees in order to identify the relationship between SQ and CL. The researcher found, through the pilot study, several indicators notably the important and vital role that could be played by SQ in reinforcing CL at Menoufia University Hospitals in Egypt.

As a result of the discussions given above, the research questions of this study are as follows:

- Q1: What is the nature and extent of the relationship between SQ (tangibility) and CL at Menoufia University Hospitals in Egypt?.
- Q2: What is the nature of the relationship between SQ (reliability) and CL S at Menoufia University Hospitals in Egypt?.
- Q3: What is the statistically significant relationship between SQ (responsiveness) and CL at Menoufia University Hospitals in Egypt?.
- Q4: What is the nature and extent of the relationship between SQ (assurance) and CL at Menoufia University Hospitals in Egypt?.
- Q5: What is the nature of the relationship between SQ (empathy) and CL at Menoufia University Hospitals in Egypt?.

There are studies in literature that study SQ and CL factors separately and within the frame of bilateral relation, but there is no study that examines these two factors collectively at the Egyptian

environment. This study aims to contribute to the literature by examining the research variables collectively and to reveal the interaction between the research variables.

As a result of the discussions given above, the following hypotheses were developed to test if there is significant correlation between SQ and CL at Menoufia University Hospitals in Egypt.

H1: SQ (tangibility) has no statistically significant effect on CL at Menoufia University Hospitals in Egypt.

H2: There is no statistically significant impact of SQ (reliability) on CL at Menoufia University Hospitals in Egypt.

H3: SQ (responsiveness) has no statistically significant influence on CL at Menoufia University Hospitals in Egypt.

H4: There is no statistically significant relationship between SQ (assurance) and CL at Menoufia University Hospitals in Egypt.

H5: SQ (empathy) has no statistically significant impact on CL at Menoufia University Hospitals in Egypt.

### 3.3. Population and Sample

The population of the study included all employees at Menoufia University Hospitals in Egypt. The total population is 2839 employees. Determination of sample size was calculated using the formula (Daniel, 1999) as follows:

$$n = \frac{N \times (Z)^2 \times P(1-P)}{d^2 (N-1) + (Z)^2 \times P(1-P)}$$

The number of samples obtained by 338 employees at Menoufia University Hospitals in Egypt in Table (1).

Table (1) Distribution of the Sample Size

Job Category	Number	Percentage	Size of Sample
1. Physicians	486	17.1%	338 X 17.1% = 58
2. Nurses	1675	59.0%	338 X 59.0% = 199
3. Administrative Staff	678	23.9%	338 X 23.9% = 81
<b>Total</b>	<b>2839</b>	<b>100%</b>	<b>338 X 100% = 338</b>

Source: Personnel Department at Menoufia University Hospitals in Egypt, 2015

Table (2) describes some of the features of the respondents at Menoufia University Hospitals in Egypt who participated in the survey.

Table (2) Frequency distribution table of demographics

Variables	Number	Percentage
1. Job Title	Physicians	118 39.3%
	Nurses	155 51.7%
	Administrative Staff	27 9.0%
	<b>Total</b>	<b>300 100%</b>
2. Sex	Male	116 38.7%
	Female	184 61.3%
	<b>Total</b>	<b>300 100%</b>
3. Marital Status	Single	77 25.7%
	Married	223 74.3%
	<b>Total</b>	<b>300 100%</b>
4. Age	Under 30	118 39.3%
	From 30 to 45	119 39.7%
	Above 45	63 21.0%
	<b>Total</b>	<b>300 100%</b>
5. Educational Level	Secondary School	100 33.3%
	University	148 49.3%
	Post Graduate	52 17.3%
	<b>Total</b>	<b>300 100%</b>
6. Period of Experience	Less than 5 years	96 32.0%
	From 5 to 10	77 25.7%
	More than 10	127 42.3%
	<b>Total</b>	<b>300 100%</b>

### **3.4. Procedure**

The goal of this study was to identify the relationship between SQ and CL. A survey research method was used to collect data in this study. The questionnaire included three questions, relating to SQ, CL, and biographical information of employees at Menoufia University Hospitals in Egypt. Data collection took approximately two months. About 338 survey questionnaires were distributed by employing diverse modes of communication, such as in person and post. Multiple follow-ups yielded 300 statistically usable questionnaires. Survey responses were 88%.

### **3.5. Data Collection Tools**

#### **3.5.1. Service Quality Scale**

The present study has investigated SQ as an independent variable. The researcher has drawn on the scale of Cronin & Taylor (1992) for measuring SQ, which has been divided into five main components (tangibility, reliability, responsiveness, assurance, and empathy). There were 4 statements measuring tangibility, 5 statements handle reliability, 4 statements illustrate responsiveness, 4 statements handle assurance, and 5 statements illustrate empathy. The survey form has been used as a key tool to collect data to measure SQ at Menoufia University Hospitals in Egypt.

#### **3.5.2. Customer Loyalty Scale**

The present study has investigated CL as a dependent variable. The researcher will depend on the scale developed by (Parasuraman, 1996), in measuring CL, which has been divided into four main components (verbal communication, the intention of the spoken word, sensitivity to price, and the behavior of the complaint). There were eleven items measuring CL. There were 3 items measuring verbal communication, 4 items measuring the intention of the spoken word, 4 items measuring sensitivity to price, and 3 items measuring the behavior of the complaint. The survey form has been used as a key tool to collect data to measure CL at Menoufia University Hospitals in Egypt.

Responses to all items scales were anchored on a five (5) point Likert scale for each statement ranging from (5) “full agreement,” (4) for “agree,” (3) for “neutral,” (2) for “disagree,” and (1) for “full disagreement.”

### **3.6. Data Analysis and Testing Hypotheses**

The researcher has employed the following methods: (1) The Alpha Correlation Coefficient (ACC), (2) Multiple Regression Analysis (MRA), and (3) the statistical testing of hypotheses which include F- test and T-test. They are found in SPSS.

## **4. Hypotheses Testing**

### **4.1. Evaluating Reliability**

Before testing the hypotheses and research questions, the reliability of KM and OS were assessed to reduce errors of measuring and maximizing constancy of these scales. To assess the reliability of the data, Cronbach's alpha test was conducted.

Table (3) shows the reliability results for KM and OS. All items had alphas above 0.70 and were therefore excellent, according to Langdridge's (2004) criteria.

Table (3) Reliability of SQ and CL

Variables	The Dimension	Number of Statement	ACC
SQ	Tangibility	4	0.6526
	Reliability	5	0.7770
	Responsiveness	4	0.6407
	Assurance	4	0.6447
	Empathy	5	0.7677
	<b>Total Measurement</b>	<b>22</b>	<b>0.9310</b>
CL	Verbal communication	3	0.9329
	The intention of the spoken word	4	0.8827
	Sensitivity to price	4	0.8827
	The behavior of the complaint	3	0.9329
	<b>Total Measurement</b>	<b>14</b>	<b>0.9750</b>

Regarding Table (3), the 22 items of SQ are reliable because the ACC is 0.9310. Tangibility, which consists of 4 items, is reliable because the ACC is 0.6526. Reliability, which consists of 5 items, is reliable because the ACC is 0.7770. Furthermore, responsiveness which consists of 4 items, is reliable because the ACC is 0.6407. Assurance, which consists of 4 items, is reliable because the ACC is 0.6447. The 5 items related to empathy are reliable because ACC is 0.7677. Thus, the internal consistency of SQ can be acceptable.

According to Table (3), the 14 items of CL are reliable because the ACC is 0.9750. Verbal communication, which consists of 3 items, is reliable because the ACC is 0.9329. The 4 items related to the intention of the spoken word are reliable because ACC is 0.8827. Sensitivity to price, which consists of 4 items, is reliable because the ACC is 0.8827. Furthermore, the behavior of the complaint which consists of 3 items, is reliable because the ACC is 0.9329. Thus, the reliability of CL can be acceptable.

Accordingly, two scales were defined, SQ (22 variables), where ACC represented about 0.9310 and CL (14 variables), where ACC represented 0.9750.

#### 4.2. Correlation Analysis

The researcher calculated means and standard deviations for each variable and created a correlation matrix of all variables used in hypothesis testing. Arithmetic mean and standard deviation values related to dependent and independent variables of this study and correlation coefficients between these variables are given in Table (4).

According to Table (4), the first issue examined was the different facets of SQ (tangibility, reliability, responsiveness, assurance, and empathy). According to Table (4), among the various facets of SQ, those who responded identified the presence of a tangibility ( $M=3.83$ ,  $SD=0.705$ ). This was followed by reliability ( $M=3.80$ ,  $SD=0.728$ ), empathy ( $M=3.79$ ,  $SD=0.735$ ), assurance ( $M=3.61$ ,  $SD=0.792$ ), and responsiveness ( $M=3.59$ ,  $SD=0.779$ ).

The second issue examined was the different facets of CL (verbal communication, the intention of the spoken word, sensitivity to price, and the behavior of the complaint). Most of the respondents identified the overall CL ( $M=3.61$ ,  $SD=0.961$ ).

Table (4) Descriptive Statistics and Correlation Matrix of Constructs

Variables	Mean	Std. Deviat	1	2	3	4	5	6
1. Tangibility	3.83	0.705	1					
2. Reliability	3.80	0.728	0.95**	1				
3. Responsiveness	3.59	0.779	0.59**	0.64**	1			
4. Assurance	3.61	0.792	0.59**	0.64**	0.99**	1		
5. Empathy	3.79	0.735	0.95**	0.99**	0.64**	0.63**	1	
6. Customer Loyalty	3.61	0.961	0.53*	0.47**	0.31*	0.33**	0.47**	1

**Note:** \*\* Correlation is significant at 0.01 level.

Regarding Table (4), SQ dimensions have positive and significant relation with CL. The correlation between SQ (tangibility) and CL is 0.539. Reliability and CL, the value is 0.479, whereas responsiveness and CL show correlation value of 0.318. The correlation between SQ (assurance) and CL is 0.336 whereas empathy and CL show correlation value of 0.473.

Finally, Table (4) proves that there is a significant correlation between SQ and CL at Menoufia University Hospitals in Egypt.

#### 4.3. The Relationship between SQ (Tangibility) and CL

The relationship between SQ (Tangibility) and CL at Menoufia University Hospitals in Egypt is determined. The first hypothesis to be tested is:

*There is no relationship between SQ (Tangibility) and CL at Menoufia University Hospitals in Egypt.*

Table (5) MRA Results for SQ (Tangibility) and CL

The Variables of SQ (Tangibility)	Beta	R	R2
1. The presence of equipment and sophisticated equipment.	0.194**	0.309	0.095
2. Convenient and attractive facilities and halls.	0.008	0.369	0.136
3. There is adequate parking space.	0.145*	0.320	0.102
4. Appropriate overall appearance of the organization of the nature and quality of services provided.	0.432**	0.531	0.281
▪ MCC	0.582		
▪ DC	0.339		
▪ Calculated F	37.798		
▪ Degree of Freedom	4, 295		
▪ Indexed F	3.31		
▪ Level of Significance	0.000		
** P < 0.01                      * P < 0.05			

Table (5) proves that there is a relationship between SQ (Tangibility) and CL at significance level of 0,000. As a result of the value of R<sup>2</sup>, the 4 independent variables of SQ (Tangibility) can explain 33.9% of the total differentiation in CL level.

For the results of a structural analysis of the MRA, the direct effect of SQ (Tangibility) and CL is obtained. Because MCC is 0.582, it is concluded that there is enough empirical evidence to reject the null hypothesis.

#### 4.4. The Relationship between SQ (Reliability) and CL

The relationship between SQ (Reliability) and CL at Menoufia University Hospitals in Egypt is determined. The second hypothesis to be tested is:

*There is no relationship between SQ (Reliability) and CL at Menoufia University Hospitals in Egypt.*

Table (6) MRA Results for SQ (Reliability) and CL

The Variables of SQ (Reliability)	Beta	R	R <sup>2</sup>
1. Commitment to implement the work in the given time.	0.421**	0.523	0.273
2. Attention to the problems of customers by answering their questions.	0.054	0.295	0.087
3. Care to provide the service correctly, and from the first time.	0.088	0.365	0.133
4. Providing the service on the dates that have been identified.	0.061	0.236	0.055
5. Availability of accurate documentation systems and records.	0.234**	0.345	0.119
▪ MCC		0.579	
▪ DC		0.335	
▪ Calculated F		29.615	
▪ Degree of Freedom		5, 294	
▪ Indexed F		3.01	
▪ Level of Significance		0.000	
** P < 0.01			

As Table (6) proves, the MRA resulted in the R of 0.579. This means that CL has been significantly explained by the 5 independent variables of SQ (Reliability). Furthermore, the R<sup>2</sup> of 0.335 indicates that the percentage of the variable interprets the whole model, that is, 33.5%. It is evident that the five independent variables of SQ (Reliability) justified 33.5% of the total factors of CL. Hence, 66.5% are explained by the other factors. Therefore, there is enough empirical evidence to reject the null hypothesis.

#### 4.5. The Relationship between SQ (Responsiveness) and CL

The relationship between SQ (Responsiveness) and CL at Menoufia University Hospitals in Egypt is determined. The third hypothesis to be tested is:

*There is no relationship between SQ (Responsiveness) and CL at Menoufia University Hospitals in Egypt.*

Table (7) MRA Results for SQ (Responsiveness) and CL

The Variables of SQ (Responsiveness)	Beta	R	R2
1. Informing customers accurately of dates of service.	0.191**	0.233	0.054
2. Permanent readiness to assist customers.	0.068	0.226	0.051
3. Short waiting period to provide the service to customers.	0.153*	0.234	0.054
4. Responding to customer complaints quickly.	0.071	0.195	0.038
▪ MCC	0.331		
▪ DC	0.110		
▪ Calculated F	9.072		
▪ Degree of Freedom	4, 295		
▪ Indexed F	3.31		
▪ Level of Significance	0.000		
** P < 0.01                      * P < 0.05			

Table (7) proves that there is a relationship between SQ (Responsiveness) and CL. As a result of the value of  $R^2$ , the 4 independent variables of SQ (Responsiveness) can explain 11% of the total differentiation in CL level. For the results of a structural analysis of the MRA, the direct effect of SQ (Responsiveness) and CL is obtained. Because MCC is 0.331, there is enough empirical evidence to reject the null hypothesis.

#### 4.6. The Relationship between SQ (Assurance) and CL

The relationship between SQ (Assurance) and CL at Menoufia University Hospitals in Egypt is determined. The fourth hypothesis to be tested is:

*There is no relationship between SQ (Assurance) and CL at Menoufia University Hospitals in Egypt.*

Table (8) MRA Results for SQ (Assurance) and CL

The Variables of SQ (Assurance)	Beta	R	R2
1. Behavior of employees makes customers feel confident.	0.133*	0.234	0.054
2. Clients have a sense of security in dealing with the institution.	0.198**	0.241	0.058
3. Workers deal with customers humanly and decently.	0.105	0.221	0.048
4. Adequate knowledge to answer customer questions is available.	0.070	0.244	0.059
<ul style="list-style-type: none"> <li>▪ MCC</li> <li>▪ DC</li> <li>▪ Calculated F</li> <li>▪ Degree of Freedom</li> <li>▪ Indexed F</li> <li>▪ Level of Significance</li> </ul>		0.235 0.119 9.954 4, 295 3.31 0.000	
** P < 0.01                      * P < 0.05			

Table (8) proves that there is a relationship between SQ (Assurance) and CL at significance level of 0,000. As a result of the value of  $R^2$ , the 4 independent variables of SQ (Assurance) can explain 11.9% of the total differentiation in CL level. For the results of a structural analysis of the MRA, the direct effect of SQ (Assurance) and CL is obtained. Because MCC is 0.235, it is concluded that there is enough empirical evidence to reject the null hypothesis.

#### 4.7. The Relationship between SQ (Empathy) and CL

The relationship between SQ (Empathy) and CL at Menoufia University Hospitals in Egypt is determined. The fifth hypothesis to be tested is:

*There is no relationship between SQ (Empathy) and CL at Menoufia University Hospitals in Egypt.*

Table (9) MRA Results for SQ (Empathy) and CL

The Variables of SQ (Empathy)	Beta	R	R2
1. Employees are personally interested in customers.	0.429**	0.523	0.273
2. Priorities of management and staff in the organization include the supreme interests of the clients.	0.057	0.295	0.087
3. Customers receive good treatment, respect and appreciation of their circumstances.	0.090	0.365	0.133
4. Working hours are appropriate for each customer.	0.063	0.236	0.055
5. Needs of customers are known.	0.202**	0.309	0.095
▪ MCC	0.567		
▪ DC	0.322		
▪ Calculated F	27.911		
▪ Degree of Freedom	5, 295		
▪ Indexed F	3.01		
▪ Level of Significance	0.000		
** P < 0.01			

As Table (9) proves, the MRA resulted in the R of 0.567. This means that CL has been significantly explained by the 5 independent variables of SQ (Empathy).

Furthermore, the R<sup>2</sup> of 0.322 indicates that the percentage of the variable interprets the whole model, that is, 32.2%. It is evident that the 5 independent variables SQ (Empathy) justified 32.2% of the total factors of CL. Hence, 67.8% are explained by the other factors. Therefore, there is enough empirical evidence to reject the null hypothesis.

#### 5. Research Findings

The present study on analyzing the relationship between SQ and CL at Menoufia University Hospitals in Egypt revealed the following results:

1. There is a positive and significant correlation between the SQ and CL. This indicates that the SQ is high and convincing from the point of view of the customers and they want better performance. This is consistent with the finding that there is a strong relationship between SQ and CL confirmed by many researchers (Anderson & Mittal, 2000; Bloemer & De Ruyter, 1999; and Oliva et al., 1992).
2. Furthermore, evidences of strong and direct relationship between SQ and CL have also been given by Heskett et al. (1997). While Bloemer and De Ruyter (1999) have stated that SQ results in CL; whereas if level of customers tends to be relatively high, it may also act as a vital promoter of CL. However, in today's highly dynamic and competitive environment attaining higher levels of CL, especially in the services sector, may be a tough task for many organizations. Also, many researchers have proved willingness to recommend and repurchase intention as dimensions of the CL. Further they found that SQ has a strong positive impact on these dimensions of CL (Ehigie, 2006; Wong & Sohal, 2003; Bloemer et al., 1998; and Bitner, 1990).
3. There is a positive relationship between SQ and CL. This is consistent with the finding that SQ is one of the most important aspects of the premium customer experience. Most organizations monitor their SQ on a regular basis to improve CL.

#### 6. Recommendations

The basic purpose of this research work is to put forward recommendations of practical nature rather than just propose research oriented work.

1. The need for credit and interest in improving the SQ provided to customers in order to be able to compete in the future and live up to the level of ambition of services provided.
2. Menoufia University Hospitals in Egypt should learn customers' point of view through questionnaires, among other things, business research studies, or specialists in order to provide consulting services in order to check the quality of services.
3. Menoufia University Hospitals in Egypt should pay much attention to CL, through the selection of skilled workers on how to provide the service and earn CL, and design a training program for them in order to equip them with knowledge and skills required to provide services.
4. Menoufia University Hospitals in Egypt is interested in how to facilitate business processes and reduce the time of service to the customer through motivating employees and giving them the empowerment required for the performance of their quality.
5. Menoufia University Hospitals in Egypt should know the need to respect the customer, and the staff should try to get the information and suggestions or problems in order to improve service delivery and CL.
6. Menoufia University Hospitals in Egypt must work on maintaining existing customers to gain their satisfaction. This is because the cost of maintaining the current client is less as a cause of a new customer, and to maintain it for a longer period. The customer is getting a sense of loyalty to the organization, thereby acting to promote it and gain new customers.
7. Menoufia University Hospitals in Egypt must adopt a win-win SQ strategy through which they provide value to the customer and customer remains loyal to the organization. The value provided must be keeping in view the satisfaction of the customers.
8. Menoufia University Hospitals in Egypt must understand and determine the factors that enhance CL. Surveys must be conducted to obtain the data from the customers regarding their perceptions, expectations and recommendations to improve the SQ. In other words, CL is a very much important factor that not only forces the customers to remain loyal with the organization but also proves as a marketing mechanism through which other people are attracted towards the organization.
9. Menoufia University Hospitals in Egypt should look for the contemporary approaches of delivering quality services through relationship management tactics. These approaches build a long term relationship with the customer through the provision of premium quality services. In other words, traditional predictors of the CL, such as SQ, still have a strong impact on the CL. So, these factors must be the core of the strategy aiming at enhancing CL and loyalty. In other words, probably the most important determinant of CL is SQ. So, the provision of premium quality services must be the prime objective of the business strategy of the organization.
10. Menoufia University Hospitals in Egypt must think regarding developing a competitive edge which sets apart the products and services of the organization in a distinctive way. Provision of premium quality services holds upmost importance among the factors which can enable the organization to have a competitive edge over the rivals successfully in today's market-driven system. In other words, innovating the services according to the needs and demands of the customers is very much important. Customers must be the focus of every strategy. Menoufia University Hospitals in Egypt must think in terms of end result of their SQ innovations. The focus should be on the long run.

## **7. Research Implications**

The findings provide several managerial implications. The fundamental premise of the proposed model was that retailers should understand comprehensively the critical factors necessary to achieve high SQ that will significantly affect CL, and use them as diagnostic information. By recognizing and analyzing these diagnostic indicators, retailers will be better able to formulate and implement their strategic plans.

According to Hansen & Bush (1999), a great success will result from a strategy that concentrates on one targeted dimension of SQ, rather than from one in which the retail firm improves marginally on all of the dimensions. The interpretation of the research model has the potential to help retailers better understand how customers assess the SQ and how their service campaigns influence CL in different extent. Learning the

uncovered relationships between SQ and CL, retailers can effectively allocate their resources and develop a rational plan to improve their SQ under specific business circumstances.

It is recognized that with improvement of CL, customers will be more loyal. By the referring of loyal customers, the organizations can attract more customers. Managers are advised to satisfy and better manage their relationships through quality product and service offerings to their customers as a competitive policy in the marketplace. Menoufia University Hospitals are required to offer products/services that meet or surpass consumers' expectation.

## **8. Research Limitations**

Although the results presented in this study are useful in understanding the relationships between SQ and CL, there are several limitations that need to be addressed. They are as follows:

1. The sampling frame includes the employees at Menoufia University Hospitals in Egypt. This may lead to loss of generalizability. Although the sample used appears homogenous and yielded reliable data, it would be better to include more demographic control variables, which lead to more generalizable results and allow possible segmentation in terms of SQ and CL. Further studies should use a more representative sample of whole retail customers' population, which lead to more sound and comprehensive findings.
2. The data was collected at single point in time. Although all the proposed hypotheses were based on previous research studies and evidences shown in the previous literature, it is not possible to explain causal relationships among the variables of the study due to the absence of a longitudinal research design. Hence, the findings of the study are not an evidence for explaining causal relationships among variables.
3. This study may be of significant importance both in contributing to the literature and as far as organizations are concerned. An important strategy for 21<sup>st</sup> century organizations must be the provision of premium quality services in order to keep the CL to the organization and subsequently to survive and compete in today's dynamic and competitive corporate environment effectively.

## **9. Conclusions**

SQ is one of the most important factors in identifying new customer needs and, the key to CL is providing the customers with their undiscovered needs (Chai & colleagues. 2009).

SQ is an excellent technique for enhancing CL to the organization in today's competitive environment. The main objective of this study is to determine the impact of various SQ dimensions on CL. While several authors have emphasized the multidimensional nature of SQ and CL, this research sought to establish the bridges between SQ and CL.

Menoufia University Hospitals in Egypt can benefit from the fact of knowing how customers perceive the SQ and knowing the way of how to measure SQ. Therefore, the management can use the specific data obtained from the measurement of SQ in their strategies and plans. This will help Menoufia University Hospitals in Egypt to better understand various SQ that affect CL. In this way, Menoufia University Hospitals in Egypt can better allocate resources to provide better service to their customers. Thus, understanding CL with SQ is very important and challenging.

Menoufia University Hospitals in Egypt is facing so many challenges i.e. increase in customers' demands and expectations coupled with provision of premium quality services (Ettorre, 1994; Joseph & Walker, 1988; JA, 1983; and Leonard & Sasser, 1982).

Moreover, customers are behaving more critically to the SQ practices prevailing in organizations (Albrecht & Zemke, 1985).

Increasing customer demands together with ever growing competition are compelling Menoufia University Hospitals in Egypt to adapt new competitive and innovative ways which will help them take the lead in the market-place in the form of loyal customer-base (Sellers, 1989).

The organization's ability to deliver these benefits on a continuous basis probably has a significant impact on the level of CL. Therefore, Menoufia University Hospitals in Egypt has to identify and improve factors that can increase customer value. Although it is apparent that for superior service, it is not sufficient to only focus on satisfying customers, as customers switched their financial institutions because of SQ

problems and failures (Gerrard, & Cunningham, 1997), and stop the use of a financial service provider because of poor service performance (Allred, & Addams, 2000).

This attitude is a significant factor, which influences customer intention to engage in positive or negative behavior decisions. Consequently, CL is a necessary prerequisite for building long term customer relationships and it is likely to increase loyalty (Anthanassopoulos et al., 2001; Selnes, 1993; Bloemer, & Ruyter, 1998).

The power of CL is clear and compelling. It leads to more profitable growth. CL stay longer with companies that treat them well. They buy more of their products, and they cost less to serve. They recommend the organizations to their friends and colleagues, becoming, in effect, a highly credible volunteer sales force. Investing in loyalty can generate more attractive returns than rolling out an ambitious new marketing plan or expanding line of company's business. Loyalty can be of substantial value to both customers and the firm. Customers are willing to invest their loyalty in business that can deliver superior value relative to competitors (Reichheld, 1996). When they are loyal to a firm, consumers may minimize time expended in searching and in locating and evaluating purchase alternatives. Also, customers can avoid the learning process that may consume the time and effort needed to become accustomed to a new vendor. CL is one major driver of success in e-commerce (Reichheld & Scheffer, 2000).

By increasing CL as it is apparent that satisfied customer are likely to remain loyal to the service provider (Eriksson & Vaghult, 2000). CL is not directly correlated, particularly in competitive environments. To achieve loyalty in competitive environments organizations need to 'completely satisfy' their customers (Jones & Sasser, 1995). There is a big difference between satisfaction, which is a passive customer condition, and loyalty, which is an active or proactive relationship with the organization (Fredericks, 2001).

SQ and all its dimensions such as tangibility, reliability, responsiveness, assurance and empathy have significant and positive association with CL towards their respective financial service providing organizations.

SQ has been admired by the organizational researchers all around the globe as a competitive weapon which differentiates the organization from its rivals in a much positive way by enabling the service organizations to delight the customers through the provision of premium quality services on consistent basis and subsequently enhance their CL (Naik et al., 2010; Wisniewski, 2001; Curry & Herbert, 1988; and Zeithaml, 1988).

Customers are not loyal to one particular organization. Today all what they need is quality of products and services which satisfy their requirements effectively. Hence, the major need of today is to find the ways to create satisfied and happy client-base. Therefore, these organizations must consider the above discussed antecedents of CL in order to have happy customer base (Sharp & Sharp, 1997) which subsequently enhances their financial performance and profitability (Hackl et al., 2000; Andereson et al., 1994; Lewis, 1993).

## **References**

- Anderson, H., & Jacobsen P. N. (2000). Creating Loyalty: Its Strategic Importance in Your Customer Strategy. In S. A. Brown (ed.), *Customer Relationship Management* (pp. 55-67). Ontario: John Wiley.
- Angelova, B. and Zekiri, J. (2011). Measuring Customer Satisfaction with Service Quality Using American Customer Satisfaction Model (ACSI Model), *International Journal of Academic Research in Business and Social Sciences* Vol. 1, No. 3, 232-258.
- Athanassopoulos, A., Gounaris, S., Stathakopoulos, V., (2001) Behavioural responses to customer satisfaction: an empirical study, *European Journal of Marketing*, Vol. 35 Iss: 5/6, PP. 687-707.
- Aydin, S., & Özer, G. (2005). The analysis of antecedents of customer loyalty in the Turkish mobile telecommunication market. *European Journal of Marketing*, 39(7/8), 910-925.
- Babakus, E., & Boller, G. W. (1992). An empirical assessment of the SERVQUAL scale. *Journal of Business research*, 24(3), 253-268.
- Berry, L., Zeithaml, V. and Parasuraman, A., (1988). The Service Quality Puzzle, *Business Horizons*, 31(5) 35-43.
- Beverly K.K., Diane M. Strong, and Richard, Y.W., (2002). Information Quality Benchmarks: Product and Service Performance. *Communications of the ACM*, Vol. 45, No. 4ve

- Bloemer, J. (1999). Linking perceived service quality and service loyalty: a multi-dimensional perspective. *European Journal of Marketing*, 33(11, 12), 1082-1106.
- Bolton, R. N., & Drew, J. H. (1991). A multistage model of customers' assessments of service quality and value. *Journal of Consumer Research*, 17(4), 375-384.
- Brensinger, R. P., & Lambert, D. M. (1990). Can the SERVQUAL scale be generalized to business-to-business services?. In *Knowledge Development in Marketing*, 1990. AMA's Summer Educators' Conference Proceedings, 289.
- Brown, S.W. & Swartz, T. (1989). "A Gap Analysis of Professional Service, Quality" *Journal of Marketing*, Vol. 53 (2) pp. 92-8. Cronin, J. J., and Taylor, S. A. (1992). Measuring Service Quality: A Reexamination and Extension. *Journal of Marketing*, 56 (3), pp 55–68.
- Caruana, A. (2002). Service Loyalty: The Effects of Service Quality and the Mediating role of Customer Satisfaction. *European Journal of Marketing*, 36(7), 811-828.
- Crompton, J. L., & Mackay, K. J. (1989). Users' perceptions of the relative importance of service quality dimensions in selected public recreation programs. *Leisure Sciences*, 11(4), 367-375.
- Cronin, J. J. & Taylor, S. A. (1992). Measuring Service Quality: A Reexamination and Extension. *Journal of Marketing*, Vol. 56, No. 3, 55-68.
- Crosby, P.B. (1984) "Quality without tears: The art of hassle-free management". McGraw-Hill, New York.
- Czepiel, J., (1990). Managing Relationships with Customers: A Differentiation Philosophy of Marketing, in *Service Management Effectiveness*, D. E. Bowen, R. B. Chase, and T. G. Cummings, eds. San Francisco: Jossey-Bass, 299-323..
- Dabholkar, P A; Thorpe, D I and Rentz, J O (1996). "A Measure of Service Quality for Retail Stores: Scale Development and Validation," *Journal of the Academy of Marketing Science*, 24(1), 3-16
- Daniel W., (1999). *Biostatistics: A Foundation For Analysis in the Health Sciences*, 7<sup>th</sup> Ed, New York, John Wiley & Sons.
- Davis, G., Yoo, M., and Baker, W., (2003). The Small World of the American Corporate Elite, 1982-2001" *Strategic Organization*, 1 (3), 301-326.
- Dick, A.S. & Basu, K. (1994). Customer loyalty: toward an integrated conceptual framework. *Journal of the Academy of Marketing Science*, 22(2), 99-113. <http://dx.doi.org/10.1177/0092070394222001>
- Dickie, J. (2008). Customer Satisfaction Does Not Equal Customer Loyalty/Advocacy. Retrieved 10 February, 2015. <[http://customerthink.com/customer\\_satisfaction\\_does\\_not\\_equal\\_customer/](http://customerthink.com/customer_satisfaction_does_not_equal_customer/)>
- Dotchin, J. A. & Oakland, J. S. (1994). "Total Quality Management in Services Part 2: Service. Quality". *International Journal of Quality & Reliability Management*, 11 (3), 27-42.
- Duffy, D. L. (2003). Internal and external factors which affect customer loyalty. *Journal of Consumer Marketing*, 20(5), 480-485.
- Eiglier, P and Langeard, E (1987). *Servuction, Les Marketing des Services*, Paris: McGraw-Hill.
- Feick, L. & Lee, J. (2001). "The impact of switching cost on the customer satisfaction- loyalty link; mobile phone service in France". *Journal of Service Marketing*, 15 (1), 35-48.
- Finn, D. W., & Lamb, C. W. (1991). An evaluation of the SERVQUAL scales in a retailing setting. *Advances in consumer research*, 18(1), 483-490.
- Fornell, C., Johnson, M.D., Anderson, E.W., Cha, J. and Everitt-Bryant, B. (1996). The American Customer Satisfaction Index: nature, purpose, and findings. *Journal of Marketing*, 60(4), 7-18. <http://dx.doi.org/10.2307/1251898>.
- Fournier, S., Dobscha, S. & Mick, D.G. (1998). Preventing the premature death of relationship marketing. *Harvard Business Review*, 76(1), 42-51.
- Ganiyu, R. Uche, I. and Elizabeth, A. (2012). Is Customer Satisfaction an Indicator of Customer Loyalty?, *Australian Journal of Business and Management Research*, 2 (7), PP. 14-20.
- Ganiyu, R. Uche, I. and Elizabeth, A., (2011). Is Customer Satisfaction an Indicator of Customer Loyalty?, *Australian Journal of Business and Management Research*, Vol.2 No.07, PP. 14-20.
- Gantasala, N., & Prabhakar, S., (2010). Service quality (SERVQUAL) and its effect on customer satisfaction in retailing. *European Journal of Social Sciences*, 16(2), 231-243.
- Garvin, D. A. (1983). Quality on the line. *Harvard Business Review*, 61 (September – October), 65-73.
- Gremler, D. D. & Brown, S. W. (1998). Service loyalty: antecedents, components and outcomes. *Conference Proceeding*, 9, 165-166. American Marketing Association.

- Gremler, D. D. & Brown, S. W. (1999). The loyalty ripple effect: Appreciating the full value of customers. *International Journal of Service Industry Management*, Vol. 10 (3), 271-291.
- Gremler, D. D. & Brown, S. W. (1999). The loyalty ripple effect: Appreciating the full value of customers. *International Journal of Service Industry Management*, Vol. 10 (3), 271-291.
- Griffin, J., (2002). *Customer Loyalty: How to Earn It, How to Keep It*, New and Revised Edition, Weekly publisher
- Gronroos, C. (1984). A service quality model and its marketing implications. *European Journal of Marketing*, 18(4), 36-44. <http://dx.doi.org/10.1108/EUM00000000004784>
- Gronroos, C. (1990). Relationship approach to marketing in service contexts. *Journal of Business Research*, 20(1), 3-11. [http://dx.doi.org/10.1016/0148-2963\(90\)90037-E](http://dx.doi.org/10.1016/0148-2963(90)90037-E)
- Gronroos, C. (1990). *Service Management and Marketing: Managing the Moment of Truth in Service Competition*. Lexington: Lexington Books.
- Gronroos, C. (2000). *Service management and marketing*. John Wiley & sons Ltd.
- Grönroos, C. (2001). "The perceived service quality concept - a mistake?" *Managing Service Quality*, 11 (3), 150- 152.
- Grönroos, C. (2004). The relationship marketing process: communication, interaction, dialogue, value. *Journal of Business & Industrial Marketing*, 19(2), 99-113.
- Gummesson, E. (1998). Productivity, quality and relationship marketing in service operations. *International Journal of Contemporary Hospitality Management*, 10(1), 4-15. <http://dx.doi.org/10.1108/09596119810199282>
- Heskett, J. L., and Jones, T. O. (1994). Putting the Service-Profit Chain to Work. *Harvard Business Review*, 72(2), 164-170.
- Ismail, I., Haron, H., Ibrahim, D. N., & Isa, S. M. (2006). Service quality, client satisfaction and loyalty towards audit firms: Perceptions of Malaysian public listed companies. *Managerial Auditing Journal*, 21(7), 738-756.
- Jacoby, J. & Chestnut, R. (1978). *Brand Loyalty: Measurement and Management*. New York: Wiley.
- Johnson, L. L., Dotsm, M., & Dunlap, B. J. (1988). Service quality determinants and effectiveness in the real estate brokerage industry. *Journal of Real Estate Research*, 3(2), 21-36.
- Kandampully, J., & Duffy, R. (1999). Competitive Advantage through Anticipation, Innovation and Relationships. *Management Decision*, 37 (1), 51-56.
- Keller, K. L. (1993). Conceptualizing, measuring, and managing customer based brand loyalty. *Journal of Marketing*, 57(1), 1-22. <http://dx.doi.org/10.2307/1252054>
- Kincaid, J. (2003). *Customer Relationship Management: getting it right*. London: Prentice Hall Professional.
- Kotler, P., & Armstrong, G. (2010). *Principles of Marketing*. New Jersey: Upper Saddle River.
- Kotler, P., G. Armstrong, J. Saunders and V. Wong (1999): *Principle of Marketing*, 2nd European Edition, Prentice-Hall, London.
- Kumar V. Shah D. (2004). Building and sustaining profitable customer loyalty for the 21<sup>st</sup> century. *journal of Retailing*, 80: 317-330.
- Landrum, H., Prybutok, V. R. Kappelman, L. A., & Zhang, X. (2008). SERVCESS: A parsimonious instrument to measure service quality and information system success. *The Quality Management Journal*, 15(3), 17-25.
- Langdrige, D. (2004). *Introduction to Research Methods and Data Analysis*. Harlow: Pearson Education.
- Lewis, B. R. & Mitchell, V. W. (1990). "Defining and measuring the quality of customer service". *Marketing Intelligence & Planning*, 8 (6), 11-17.
- Munusamy, J., Chelliah, S. and Mun, H., 2010, Service Quality Delivery and Its Impact on Customer Satisfaction in the Banking Sector in Malaysia, *International Journal of Innovation, Management and Technology*, 1 (4), 398-404.
- Narayandas, N. (1996). The link between customer satisfaction and customer loyalty: an empirical investigation. Working Paper, No. 97-017, Harvard Business School, Boston, MA.
- Nitecki, D. A., & Hernon, P. (2000). Measuring service quality at Yale University's libraries. *Journal of Academic Librarianship*, 26 (4), 259-273.
- Oliver, R. L. (1997). *Satisfaction: A Behavioral Perspective on the Consumer*, McGraw-Hill, New York, NY.

- Papadopoulou, P., A. Andreou, P. Kanellis, and D. Martakos, (2001) Trust and Relationship Building in Electronic Commerce,” Internet Research, Vol. 11, 4:322-332.
- Parasuraman, A., Berry, L.L & Zeithaml, V (1985). A conceptual model of service quality and the implications for future research. Journal of Marketing Management, 49, 41-51.
- Parasuraman, A., Zeithaml, V. A. and Berry, L. L. (1988). SERVQUAL: A multipleitem scale for measuring consumer perceptions of service quality. Journal of Retailing, 64, 12–40.
- Parasuraman, A., Zeithaml, V.A. & Berry, L.L. (1994). Alternative scales for measuring service quality: a comparative assessment based on psychometric and diagnostic criteria. Journal of Retailing, 70(3), 201-230.
- Pavlou, P. A. (2003). Consumer acceptance of electronic commerce: Integrating trust and risk with the technology acceptance model. International Journal of Electronic Commerce, 7(3), 101-134.
- Payne, A. (1993). The essence of Services marketing, Prentice-Hall, Hemel Hempstead, UK
- Pearson, N. (1996). “Building brands directly: creating business value from customer Relationships”. Macmillan Business, 20 (6), 68-82.
- Pitta, D., Franzak, F., and Fowler, D.,( 2006). A strategic approach to building online customer loyalty: integrating customer profitability tiers. Journal of Consumer Marketing, 23/7, 421-429
- Prus, A. and Brandt, D. R. (1995). Understanding Your Customers. American Demographics, 11.
- Raj, S. P. (1985). Striking a balance between brand “popularity” and brand loyalty. Journal of Marketing, 49, 53-59. <http://dx.doi.org/10.2307/1251175>
- Reichheld FF & Sasser WE, (1990), “Zero Defections: Quality Comes to Services”, Harvard Business Review, September-October, 105-111
- Reichheld, E. E. & Schefter, P. (2000). E-Loyalty: Your secret weapon on the Web. Harvard Business Review, 78(4), 105-113.
- Reichheld, F. (2001). Loyalty Rules: How today’s leaders build lasting relationships? Harvard Business School Publishing Corporation, the United States of America.
- Rust, R. T. & Zahorik, A. J. (1995). Customer Satisfaction, Customer Retention and Market Share. Journal of Retailing, Vol. 69, No. 2, 193-215.
- Samuelson, B. M. and Sandvik, K. (1997). In European Marketing Academy Conference, Vol. 3 (Eds, Arnott, D., Dr., Bridgewater, S., Dr. and al, e.) Warwick Business School, Warwick, U.K., 1122-1140.
- Sasser W. E., Olsen R. P., Wyckoff D. D. (1978), "Management of Service Operations", Allyn & Bacon, Boston.
- Schweizer, B. (2008). An Examination of Factors Leading to Abating Customer Loyalty Towards Magazine Subscriptions, Berlin: GRIN Verlag.
- Sheth, J. N. & Parvatiyar, (1999). The evolution of relationship marketing. In J. N Sheth, & A. Parvatiyar (Eds.) Handbook of Relationship Marketing, (pp. 119 – 148). Sage Publications, Inc.
- Spohrer, J. & Maglio, P. (2008). The emergence of service science: Toward systematic service innovations to accelerate co-creation of value. Production and Operations Management, 17(3), 238-246.
- Stone, M., Woodcock, N., and Machtynger, L. (2000). Customer Relationship Marketing: Get to know your customers and win their loyalty (2nd eds.). Kogan Page Ltd. ISBN: 0-7494-2700-0.
- Sureshchandar, G. S., Rajendran, C., & Anantharaman, R. N. (2002). Determinants of customer-perceived service quality: a confirmatory factor analysis approach. Journal of Services Marketing, 16(1), 9-34.
- Veldhuisen, J. (2011). Ijzersterke universeel toon haarscheurtjes. Aftersales Magazine, PP. 91-92.
- Veloutsou, C., Gilbert, G. R. Mountinho, L. A. & Goode, M. M. E. (2005). Measuring transaction specific satisfaction in services: Are the measures transferable across cultures?European Journal of Marketing (39).
- Webster, C. (1989). Can consumers be segmented on the basis of their service quality expectations?. Journal of Services marketing, 3(2), 35-53.
- Wisniewski, M. (2001). Using SERVQUAL to assess customer satisfaction with public sector services. Managing Service Quality, 11(6), 380-388.
- Woodside, A. G., Frey, L. L., & Daly, R. T. (1989). Linking service quality, customer satisfaction, and behavioral intention. Journal of health care marketing, 9(4), 5-17.
- Zairi, M. (2000). Managing Customer Dissatisfaction Through Effective Complaint Management Systems. The TQM Magazine, 12 (5), 331-335.

- Zeithaml V. A. (1981). How Consumer Evaluation Processes Differ between Goods and Services. Reprinted in Lovelock, C. (1991). *Services Marketing*. Prentice Hall: Upper Saddle River, New Jersey.
- Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: a means- end model and synthesis of evidence. *The Journal of Marketing*, 52(3), 2-22.
- Zeithaml, V. A., Parasuraman, A., Berry, L. L. (1990). *Delivering Quality Service: Balancing Customer Perceptions and Expectations*, The Free Press, New York: NY.
- Zeithaml, V. A., Berry, L. L. and Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60, 31–46. <http://dx.doi.org/10.2307/1251929>.