

THE EFFECT OF THE SERVICE QUALITY ON THE CUSTOMER LOYALTY: AN APPLICATION IN THE PROVINCE OF KIRKLARELİ

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ABSTRACT

At the present time, service sector has become a key factor that changed the point of view of the economy politics of the countries. It's obviously very important for both the consumers and the service providers that the customers get full satisfaction with the services provided for them. This study has been done to test the effect of the service quality provided by the coffee houses having Turkish coffee concept in Kırklareli on customer fidelity. The applied surveys have been evaluated using SERVQUAL measurement technique. Evaluations and advices have been included in the conclusion part.

Key words: service quality, customer-loyalty, expectation

INTRODUCTION

Though there's no certain definition of the service concept, these definitions can be clarified according to the sectoral activities. As service quality has no tangible specifications like physical goods have, subjective evaluations get more important. For this reason, the experts use different criteria in determining the service concept and the service quality.

Service is the activities during the sales stage, the consumed benefits starting from the production stage and the satisfaction of the necessities (Aydın, 2013:54). Service is the total of the intangible activities aiming to fulfill the requirements of the end users and consumers in the industrial market (Mucuk, 2014:305). The requirements exist since the existence of the human beings. Lack of the satisfaction of these requirements cause a bad feeling for the consumers.

Therefore, service is the consumers's feeling of pleasure and full satisfaction after the sales of the goods or the presentation as required by the customer (Taşkın ve Büyük, 2002 :2). Service concept has the target to provide consumers economical and moral boost while trying to get the consumers full satisfied socially by creating five main benefits of the marketing; form benefit, location benefit, reputation benefit, time benefit and possession benefit (Yılmaz, 2007: 301). Service concept can be identified as the marketing of the processes those add intangible values to the consumers during the activities and those take place out of the marketing of the intangible products.(Gümüsoğlu ve ark,2007:11).

As the customer is a focus point to the decisions taken within the enterprises taking place in the service sector, satisfaction of the customer is a must. The objective of this study is to determine the effect of the service quality in the coffee houses having Turkish Coffee concept in the province of Kırklareli on the customer loyalty. This effect is a key factor that gives an advantage against the competitors. Therefore;

Measuring the effect of the service quality on the customer loyalty has become a competition tool for the enterprises. In many previous studies, different conceptual frameworks related to the effect of the measuring tools for the service quality on the customer loyalty have been attempted to be developed and tested.

At the present time, the term "Quality" can be defined as the growing of the sales amount and making production and creating service according to the needs of the target groups after finding them out (Özveren,1997:63). The consumers do not only get satisfied with the performance of the goods and service but also require superiority against the other consumers in terms of gaining status and value thru the owned goods. (Şimşek ve ark,2002:9). Evaluating the

quality concept only according to the customers is not totally correct. It's also a key point for the enterprises. Growing customer satisfaction leads to more profit for the enterprises as they can reduce their cost by means of time saving and avoiding the repetition of the faults. (Kuruşçu,2003:23). In case enterprises fulfill the requirements of the consumers then the target for the quality can be achieved (Genç ve ark,2006:91). In case an enterprise provides quality working conditions for their employees and those employees use the quality awareness given them by the enterprise in their jobs, then that enterprise gains a positive public opinion. This adds value to the trade mark of the enterprise. The purpose of creating quality is to serve better. (Tekin,2000:12). In short, quality is the satisfaction rating of the requests and requirements. (Özkan,2005:2).

1. THE OBJECTIVE OF THE STUDY

The main objective of this study is to determine the effect of the service quality in the coffee houses having Turkish Coffee concept in the province of Kırklareli on the customer loyalty. In this respect, the main hypotheses of the study are determined as follows;

H₀: There is no difference in perceiving the service quality in terms of demographic information like age, gender, marital status, education status and occupational status.

H₁: There is no relation in between the quality perception level of the customer and customer loyalty.

Using the above listed hypotheses, the main topics to be searched in this sector can be listed as follows:

- To determine the effect of the service quality on the customer loyalty in the coffee houses.
- To determine the difficulties of the service quality and customer loyalty in the coffee houses.
- To determine the utilization level of the customer loyalty applications in the coffee houses.

2. THE SCOPE OF THE STUDY

The scope of this study is the coffee houses with the Turkish Coffee concept in Turkey. The coffee houses in Kırklareli have been sampled in this study and surveys have been applied to the customers who get service in these enterprises. The reason of choosing coffee houses in this study is to find out the benefits gained by the service quality's effect on the customer loyalty and advancements by means of quality in the service sector.

3. ANALYSIS OF THE DATA

A survey application has been carried out in our study to measure the customer loyalty and service quality perception. Facilities with Turkish coffee concept in Kırklareli have been chosen for our study. The population has been found out by meeting the authorized managers of the coffee houses and getting the average amount of information of the customers in the last one month. Six facilities have confirmed the survey and total number of the customers for the last one month has been clarified to be 2000. Satisfaction rate found out using basic random sampling method: By 80 % of effectiveness magnitude and assuming a 5% of deviation and fault ratio, the sampling calculation has proved the number of attendants for the survey to be approximately 120. However, due to the time limitation, a total of 117 people have taken place in the survey. It's assumed that this amount should not break the sampling and to be close to the calculated amount. The survey application has been applied to the candidates aged over 18 having the ability to understand the questions.

Data Gathering Method:

In this study, survey method has been used to determine the effects of the service quality on the customer loyalty. The survey form has been composed of three parts.

In the first part, SERVQUAL scale that was developed by Parasuraman and others (1991) to measure the service quality perception of the customers. 22 terms have been used in the five Likert scale to measure the expectations of the customers regarding the service quality. The attendants have been asked to answer the terms in the scale in five categories as; Totally Disagree, Disagree, Not Sure, Agree and Totally Agree.

These researchers have listed the 10 factors or characteristics of the service quality in their original studies. Access, Communication, Competence, Courtesy, Credibility, Reliability, Responsiveness, Security, Understanding and Tangibility. This list has been determined as a result of the focal group study done by the service providers and customers. During their next study, they have realized that there had been a high level close relationship among communication, competence, courtesy, credibility and security. As a result they have merged them as one characteristic

and named as reliability. Similarly they have merged access and communication into one characteristics called empathy. Consequently, five well-known characteristics those are widely used in service quality studies have been defined. These are;

- Tangibility: The appearance of the locations, staff, tools or equipments those are used for service communication materials.
- Reliability: Performance consistency and reliability; this is trusting the enterprise that they could success the service in their first application and also in the all next upcoming applications.
- Responsiveness: Willing to help the customer and provide a prompt service.
- Assurance: Feeling confident because of the talented employees having know-how and courtesy.
- Empathy: Taking care of the customers individually (Aydın, 2005).

The customers use the five characteristics mentioned above to evaluate the service quality. This evaluation is based on the comparison between the expected service and perceived service. The gap between the expected service and the perceived service is a measurement of the service quality. In this sense, satisfaction is negative or positive. This is called GAP analysis. The collected datas in this method are being analyzed in three different ways. These are: item-item analysis, factor-factor analysis and servqual GAP.

In the last stage of the survey, five questions have been asked to determine the demographic features of the customers (age, gender, marital status, educational status and occupation).

Analysis of the Datas:

Package software SPSS 19.0 (IBM Inc, Chicago, ILC) has been used for the analysis of the study. Descriptive measures of all the variables have been defined. Categorical variables have been presented by using frequency and percentage rate and numeric variables have been presented by using average \pm SS tabels. Expectation, Perception, Royalty and general survey point have been calculated and normality test has been done by using Kolmogorov – Smirnov analysis. However it has been noticed that the survey points not to match the normal range. For this reason, tests which were not parametric have been used for the group comparisons. Mann-Whitney U test has been prefered for the comparison of the two independant groups and Kruskal-Wallis analysis has been prefered for the comparison of the multi groups. Significant results have been visualized in graphics and $p < 0,05$ values have been accepted as significant statistically by taking Type-I Error as 5% in all analyses.

The detailed researches about the service quality expectations, perceptions and royalty of the customers in service sector enterprises having Turkish Coffee concept and the results of these researches have been evaluated. General reliability coefficient Cronbach's α has been calculated as 0.928. It has been noticed that the reliability coefficients belong to sub groups to have values over 94%. Though validity and reliability workouts of the survey have been done before, factor analysis results we've done for our study have also been accepted to be positive showing the survey reliability value to be high (KMO Value= 0.727, Bartlett Globosity Test Ki-Square= 4227, 27 ($p < 0.001$)).

Factor analysis has proved the cumulative variance that belonged to the rotated factor load to be 71.59. A total of 11 factors have been determined. However, It has been noticed that the total variance load defined by the the first three factors to be too high. On evaluating the questions in the first three factor groups, we have noticed that they have substantiall ymatched with the expectation, perception and royalty parts we have determined in our survey.

Demographics Features of the Survey:

It has been noticed that the majority of the survey attendants to be comprised of Man (% 69.2; $n = 81$). Similarly one third of the attendants have been noticed to be comprised of Singles (% 65; $n = 76$). In terms of educational status, 56.4% have been comprised of university graduates and 35% of high school graduates. Primary school and master graduates have been minority. In terms of occupation, various job groups with different profiles have been noticed to answer the survey. The highest rate has been comprised of Workers(25.6%) and Clerks (23.9%). While the rate of the Freelances has been 18.8%, the minority has been comprised of Housewives, Unemployed, Retired and Pupils. The age median of the attendants has been 26. A wide range of customer profiles in terms of age has been noticed. The youngest attendants have been 18 whilst the oldest ones to be 64. (Table.1).

Table. 1 Attendant's Demographics Rates

		N	%
Gender	<i>Man</i>	81	69,2
	<i>Woman</i>	36	30,8
Marital	<i>Married</i>	41	35,0
Status	<i>Single</i>	76	65,0
Educational	<i>Primary</i>	7	6,0
	<i>High School</i>	41	35,0
	<i>College</i>	66	56,4
Occupation	<i>Master</i>	3	2,6
	<i>Clerk</i>	28	23,9
	<i>Worker</i>	30	25,6
	<i>House Wife</i>	5	4,3
	<i>Freelance</i>	22	18,8
	<i>Unemployed</i>	7	6,0
	<i>Retired</i>	2	1,7
	<i>Other</i>	23	19,7

The score range has been in between 22 – 110 as the expectation part of the survey has been comprised of 22 terms. According to the answers given, the score of the expectation part has been in between 67 and 110 whilst the average to be 94.20 ± 10.58 . The perception part has been comprised of 23 terms and the score range in between 60 and 115. The average has been calculated as 91.78 ± 13.77 . Royalty part has been the last part of the survey and comprised of only 7 terms. The average score has been 28.29 ± 5.40 ; score range to be in between 11-35. Accordingly, the general satisfaction score of the survey has been calculated. General average value has been calculated as 214.26 ± 23.13 (Table 2 and 3).

The effects of the demographics features on the survey scores have been examined using related analyses and it has been noticed that none of the variables had effected the service quality perception or expectations. The survey scores of women (217.86 ± 22.14) have been higher compared to men (Fig.1). It has been a similar situation when scores of the sub groups had been examined. The marital status has not effected the thoughts for the service quality and satisfaction (Fig.2). The scores of the married and single customers have been equal. There has not been a significant effect of the educational status on the satisfaction. However, as the education level gets higher, the survey score has been noticed to increase. (Fig.3). It has been noticed that the workoutdone according to the information taken from the attendants from different job groups had no effect on the service quality and perception. The survey score of the housewives has been the lowest whilst clerks, pupils and freelances have got the highest scores. (Fig.4). A high leveled positive and significant correlation has been noticed in between the general scores of the survey and the scores of the sub groups. A significant correlation only in between the scores of the expectation and loyalty parts have not been noticed ($r=0,125$; $p=0,180$). A significant but low level correlation ($r=0,329$; $p<0,001$) has been noticed in between expectation and perception whilst an important amount of correlation level ($r=0,683$; $p<0,001$) in between expectation and the general score has been noticed. The correlation values calculated among the perception, loyalty and general score values have been over 65% (Table.4 and Figure.5).

Table. 4 Correlation values of the general and sub group points provided from the survey

		Perception	Loyalty	General Points
Expectation	<i>r</i>	0,329	0,125	0,683
	<i>p</i>	<0,001	0,180	<0,001
Perception	<i>r p</i>		0,629	0,893
	<i>r</i>		<0,001	<0,001
Loyalty				0,665
	<i>p</i>			<0,001

Table 5. Measurement of the difference between the customer expectation and the perception level

Expectation	Perception							
	Average	Std. Deviation	Average	Std. Deviation	Statement-Statement Analysis	Factor-Factor Analysis	Servqual GAP	
Q 1	4,58	,646	4,25	,787	0,3333	0,24710	0,26098	
Q 2	4,74	,498	4,49	,654	0,2481			
Q 3	4,56	,635	4,46	,676	0,1026			
Q 4	4,68	,485	4,38	,754	0,3045			
Tangibility	18,56	2,26	17,58	2,87				
Q 5	4,70	,460	4,30	,794	0,3991	0,31626		
Q 6	4,42	,746	4,25	,850	0,1709			
Q 7	4,62	,504	4,11	,963	0,5128			
Q 8	4,32	,798	4,10	,865	0,2164			
Q 9	4,11	1,032	3,83	,985	0,2821			
Reliability	22,17	3,54	20,59	4,46				
Q 10	4,53	,624	3,77	1,152	0,7627	0,47260		
Q 11	4,59	,575	4,03	,905	0,5641			
Q 12	4,29	,766	4,05	1,012	0,2389			
Q 13	4,56	,532	4,24	,906	0,3248			
Responsiveness	17,97	2,50	16,08	3,97				
Q 14	4,51	,702	4,17	,887	0,3404	0,31535		
Q 15	4,73	,582	4,07	,944	0,6581			
Q 16	4,49	,761	4,24	,992	0,2458			
Q 17	3,99	1,126	3,97	1,070	0,0171			
Assurance	17,72	3,17	16,46	3,89				
Q 18	3,76	1,262	3,56	1,241	0,1945	0,00399		
Q 19	3,42	1,352	3,50	1,257	-0,0733			
Q 20	3,48	1,392	3,84	1,181	-0,3548			
Q 21	3,62	1,400	3,33	1,337	0,2963			
Q 22	3,61	1,352	3,65	1,348	-0,0427			
Empathy	17,89	6,76	17,87	6,36				
General Total	94,32	18,23	88,58	21,56				

GAP analysis has been applied in order to determine the gap in between the expectations and perceptions of the customers regarding the enterprises with coffee concept. Negative value has been got for the questions 19, 20 and 22 in the expression analysis. The lowest gap has belonged to the 20th expression. For the rest, the clearance values for all expressions have been found out to be positive. The highest gaps have belonged to the 10th, 15th and 11th expressions respectively. A positive value for five factors has been got in the factor analysis. Taking all these into account, the general Servqual clearance has been found out to be positive (0,260). The results regarding the measurement of the difference in between expectation and perception have been shown on Table.5.

The relationships between the customer loyalty and the expectations have also been examined. A significant correlation between expectation and loyalty has not been noticed. A significant correlation between the perception and the loyalty has been noticed. For this reason, regression analysis has been applied in order to determine the power of the perception effect on the loyalty. At first, both perception and expectation have been added to the model. Model has been seemed to be significant but expectation has not been found sufficient to be able to explain the loyalty. VIF value has been low and conditional index to be lower than 30. The effect of perception on the loyalty has been found out to be 0,65 (Table.6).

Table 6. Regression analysis table of the expectation and perception variables on the loyalty

	Std. Beta	t	p	VIF	Term Index
Expectation	-0,092	-1,205	0,231	1,122	15,09
Perception	0,659	8,604	<0,001	1,122	21,96
Model	F(0,05; 2, 114)=38,499		$p<0,001$	$R^2=0,403$	

When only the regression analysis between perception and loyalty was done, the following table (Table.7) has been obtained. The consistency of the model has been good and significant ($p<0,001$; $R^2=0,396$). The coefficient for the perception has been found out to be 0,62.

Table 7. Regression analysis table of the perception variable on the loyalty

	Std. Beta	t	p	VIF	Term Index
Perception	0,629	8,675	<0,001	1,000	13,45
Model	F(0,05; 1, 115)=75,248		$p<0,001$	$R^2=0,396$	

4. CONCLUSION AND SUGGESTIONS

On examining the answers given on the survey one by one, the rate of the answers “ Agree” and “ Totally Agree” is found out to be high. The high average of both sub scores and general survey scores proves this situation. However the high rating of answers “Disagree” and “Fully Disagree” for specific statements is remarkable. The first three statements with these high rates are as following:

- 1-The staff of the coffee houses should take care of each customer individually.
- 2- The staff of the coffee houses should understand the special demands of the customers.
- 3-The staff of the coffee houses should inform the customers about the duration of the service.

As it is understood from the expressions, it is clear that the enterprises have staff problems. The quality of the service doesn't only depend on the goods. The expectation of the service quality majorly zooms in on the staff quality. The customers preferring such kind of enterprises and willing to spend a good time do want to be treated specially and want their demands to be fulfilled without any problem. In case these demands cannot be fulfilled as the way the customer wants, the negative thoughts about the enterprise start to arise. This situation leads to the loss of

customer in time although the enterprise has got a high level quality goods and ambiance.

It's found out that the staff factor effects the service quality and customer satisfaction, however, demographics features have no effect on the service quality and perception. The general survey score proves a high level of satisfaction of the services taken in the enterprises.

The enterprises are aware that fulfilling the customer needs and requirements is the most important factor to be able to gain competition advantage in terms of providing the customer royalty. Hence the workouts related to service quality and customer royalty are done according to the needs regardless of the sector. The service sector is quite important in terms of economics development in our country. Especially in the recent years, social activities seem to be growing by the effect of the young population. Being a part of the service enterprises, the ones having the Turkish coffee concept have become places where the consumers spend a good time. The increment in the amount of these enterprises having Turkish coffee concept has become remarkable. This increment has also triggered the competition between the enterprises. In such a tough competition world, they try for awareness raising by enhancing the service quality and creating customer loyalty in order to be able to survive. Though the complexity of the service quality measurement, The measurement of the service quality and customer loyalty in the enterprises having Turkish coffee concept in the province of Kırklareli has been achieved as a result of a meticulous workout.

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