

Study on Demand for Service Quality of Hypermarket

Yi-Chan Chung, Yao-Wen Hsu, Yu-Wei Po

*Department of Industrial Engineering and Management, Minghsin University of Science and Technology,
Taiwan.*

Abstract:

The hypermarket market has reached a saturation point; therefore, hypermarkets should develop their characteristics and understand customer needs to improve customer satisfaction and attract more customers. This study uses the Kano model to identify five items that can significantly improve customer satisfaction and reduce customer dissatisfaction, including staff being willing to assist and Serve customers (Item 4), having a bright and clean appearance of facilities (Item 7); service facilities meet the requirements Customer needs (Item 9); being able to provide responsible services (Item 20); Staff's problem-solving attitude builds customer confidence (Item 21). Hypermarkets can improve these items to enhance customer satisfaction and increase profits.

Keywords: *Hypermarkets, Kano model, service quality*

Date of Submission: 15-11-2024

Date of Acceptance: 25-11-2024

I. Introduction

As the hypermarket market has become saturated and competition has become increasingly fierce, hypermarkets should develop innovative services, understand customer needs, and improve customer satisfaction with service quality to attract customers and obtain more revenue. The research divides the aspects of service quality into responsiveness, tangibility, reliability, empathy, and assurance. This study uses questionnaires to identify items that can significantly improve customer satisfaction and reduce customer dissatisfaction. The research results can help hypermarkets identify key projects for effective improvement. This way, hypermarkets can avoid wasting manpower, resources, and time by executing inappropriate strategies.

II. Literature Review

The literature review includes two parts: a study of service quality and the Kano two-dimensional quality model.

Service Quality

Service quality is also considered as the extent to which the needs or expectations of the customers are met (Butt et al., 2010; Rodrigues et al., 2011; Amjad et al., 2013). Wakefield (2001) divides service quality into tangible services and intangible services. Tangible services include physical output services, physical facilities, equipment, and personnel appearance, while intangible services refer to service performance, including trust, response, guarantee, and Empathy. Bateson and Hoffman (2002) suggested that service quality depends on customers' cognition after receiving services. According to Parasuraman et al. (1988), service quality includes

five dimensions: (1) assurance, (2) responsiveness, (3) reliability, (4) empathy, and (5) tangible. Haywood-Farmer (1998) proposed three dimensions of service quality: (1) equipment, process, and procedure; (2) service personnel's behavior; and (3) service personnel's professional judgment. Based on SERVQUAL, developed by Parasuraman et al. (1988), this study classifies service quality dimensions as responsiveness, tangible, reliability, empathy, and assurance. Service quality items are modified according to questionnaires by Chung & Chen (2015), Ugboma et al. (2007), and Parasuraman et al. (1988) regarding service characteristics of pet shops.

Kano two-dimensional quality model

In Kano's two-dimensional quality model, quality is divided into five categories (Kano et al.,1984): Attractive Quality Element (A), One-Dimensional Quality Element (O), Must-Be Quality Element (M), Indifferent Quality Element (I), Reverse Quality Element (R). Matzler and Hinterhuber (1998) proposed a two-dimensional table of the classification of quality elements (as shown in Table 1), which was modified from the Kano model. The categorization of quality elements can be determined according to Table 1. The formula to calculate the coefficient of Matzler and Hinterhuber (1998) is as follows:

$$\text{SII (Satisfaction increment index)} = (A+O)/(A+O+M+I)$$

$$\text{DDI (Dissatisfaction decrement index)} = (O+M)/(A+O+M+I) \times (-1)$$

A : Attractive Quality ; O : One-Dimensional Quality ; M : Must-Be Quality ; I : Indifferent Quality ;

R : Reverse Quality

III. Research Method

Parasuraman et al. (1988) divided service quality into Responsiveness, Tangible, Reliability, Empathy, and Assurance. Service quality items were modified according to questionnaires by Chung & Chen (2015), Ugboma et al. (2007), and Parasuraman et al. (1988) regarding business characteristics of hypermarkets. The subjects of this study were customers in hypermarkets. From September 1 to 30, 2024, it retrieved 39 questionnaires. Variables measured include the following: (1) Responsiveness: Staff can respond immediately to customer needs (Item1); will not neglect to respond to customer needs due to busyness (Item2); staff can fully describe the work process (Item3); staff are willing to assist and Serve customers (Item4); (2) Tangible: Keep clean clothing and appearance (Item 5); have modern and professional equipment (Item 6); have a bright and clean appearance of facilities (Item 7); clear route guidance and notices (Item 8); service facilities meet the requirements Customer needs (Item9); (3) Reliability: Can try its best to help customers solve problems (Item10); will fulfill commitments to customers (Item11); do things right the first time (Item12); will provide reliable services (Item13); (4) Empathy: Will take the initiative to care for customers (Item14); will give priority to customers' interests (Item15); understand individual customer needs (Item16); understand customer needs and provide required services (Item17); (5) Assurance: including staff having sufficient professional knowledge to respond to customer problems (Item 18); providing services that reassure customers (Item 19); being able to provide responsible services (Item 20); having a problem-solving attitude to serve customers; Build confidence (Item 21).

IV. Results Analysis

This study obtained five service quality items (4, 7, 9, 20, and 21) of effectiveness improvement (see Table 2). Hypermarkets can maintain good service quality for these items to maximize profits. In addition, according to the analysis of this study, 12 items are allocated as attractive quality; 9 items are allocated as one-dimensional quality (see Table 2). This study uses the Kano model to identify five items that can significantly improve customer satisfaction and reduce customer dissatisfaction, including staff being willing to assist and Serve customers (Item 4); having a bright and clean appearance of facilities (Item 7); Service facilities meet customer needs (Item 9); being able to provide responsible services (Item 20); having a problem-solving attitude to serve customers; Build confidence (Item 21). Hypermarkets can improve these items to enhance customer satisfaction and increase profits.

V. Conclusion and Suggestions

This study treated customers of hypermarket H as subjects and obtained “service quality items of effectiveness improvement” using the Kano model as criteria for hypermarkets to improve service quality and develop an operational strategy for future development. This study obtained five service quality items that both improve customer satisfaction and reduce customer dissatisfaction: including staff are willing to assist and Serve customers (Item 4); having a bright and clean appearance of facilities (Item 7); service facilities meet customer needs (Item9); being able to provide responsible services (Item 20); Staff’s problem-solving attitude builds customer confidence (Item 21). Hypermarket H must maintain these items' excellent service quality to acquire maximum benefits.

References

- [1]. Amjad A., Mamoun, A.S., Bayan, N.A., Abu-Lail, N. 2013. Mobile SERVQUAL: A comparative analysis of customers' and managers' perceptions, *International Journal of Quality & Reliability Management*, 30(4), 403 – 425.
- [2]. Bateson, J.E., Hoffman, K.G., 2002. *Essential Of Service Marketing: Concepts, Strategy and Cases*, Harcourt, Inc.
- [3]. Butt, M.M., De Run, E.C., 2010. Private Healthcare Quality: Applying A Servqual Model, *International Journal of Health Care Quality Assurance*, 23 (7), 658-673
- [4]. Chung Y.C., Chen H.C., 2015. Study on The Correlation among Service Quality, Relationship Quality and Customer Satisfaction– A Case Study Of H Hotel. *International Journal of Latest Research in Science and Technology*, 44(4), 1-7.
- [5]. Haywood-Farmer, J., 1988. A Conceptual Model of Service Quality. *International. Journal Of Operations and Production Management*, 8(6), 19-29.
- [6]. Matzler, K., Bailom, F., Hinterhuber, H. H., Renzl, B. ,Pichler, J., 2004. The Asymmetric Relationship Between Attribute-Level Performance and Overall 50 Customer Satisfaction: A Reconsideration Of The Importance-Performance Analysis. *Industrial Marketing Management*, 33: 271-277.
- [7]. Parasuraman, A., Zeithaml, V.A., Berry, L.L, 1988. SERVQUAL A Multiple-item Scale for Measuring Consumer Perceptions of Service Quality, *Journal of Retailing*, 64 (1), 12-40.
- [8]. Ugboma, C., Ogwude, I. C., Ugboma, O, Nnadi, K., 2007. Service Quality and Satisfaction Measurements in Nigerian Ports: An Exploration, *Maritime Policy & Management*, 34(4), 331-346...
- [9]. Kano, N., Seraku, N., Takahashi, F., Tsuji, S., 1984. Attractive Quality and Must-Be Quality, *Hinshitsu (Quality, The Journal of Japanese Society for Quality Control)*, 14, 39-48

- [10]. Matzler, K., Hinterhuber, H. H., 1998. How To Make Product Development Projects More Successful By Integrating Kano's Model Of Customer Satisfaction Into Quality Function Deployment, *Technovation*, 18(1), 25-38.
- [11]. Rodrigues, L.L.R., Barkur, G., Varambally, K., Motlagh, F.G., 2011. Comparison of SERVQUAL and SERVPERF metrics: an empirical study, *The TQM Journal*, 23(6), 629-643
- [12]. Wakefield, R. L. (2001). Service Quality, *The Cpa Journal*, 71(8), 58-60

Table 1: Two-dimensional quality elements categories of Kano model

Negative question	I like it that way	Take it for granted	It does not matter	Can be tolerated	Dislike
Positive question					
I like it that way	Q	A	A	A	O
Take it for granted	R	I	I	I	M
It does not matter	R	I	I	I	M
Can be tolerated	R	I	I	I	M
Dislike	R	R	R	R	Q

Table2: Customer satisfaction coefficients

Item	A	O	M	I	R	Q	Category	SII	DDI
1	21	15	1	2	0	0	A	*0.9231	-0.4103
2	25	11	1	2	0	0	A	*0.9231	-0.3077
3	18	15	3	2	0	1	A	0.8684	-0.4737
4	19	18	2	0	0	0	A	*0.9487	*-0.5128
5	11	18	8	2	0	0	O	0.7436	*-0.6667
6	25	10	1	3	0	0	A	*0.8974	-0.2821
7	16	18	4	1	0	0	O	*0.8718	*-0.5641
8	15	18	4	2	0	0	O	0.8462	*-0.5641
9	17	18	3	1	0	0	O	*0.8974	*-0.5385
10	16	17	5	1	0	0	O	0.8462	*-0.5641
11	11	20	6	1	0	1	O	0.8158	*-0.6842
12	23	10	3	2	1	0	A	0.8684	-0.3421
13	19	14	3	3	0	0	A	0.8462	-0.4359
14	23	8	4	4	0	0	A	0.7949	-0.3077
15	24	11	2	2	0	0	A	*0.8974	-0.3333
16	21	13	2	3	0	0	A	*0.8718	-0.3846
17	21	16	2	0	0	0	A	*0.9487	-0.4615
18	12	19	5	3	0	0	O	0.7949	*-0.6154
19	18	15	3	3	0	0	A	0.8462	-0.4615
20	16	18	5	0	0	0	O	*0.8718	*-0.5897

21	13	24	2	0	0	0	O	*0.9487	*-0.6667
Total average								0.8700	-0.4841

Note: A: Attractive Quality; O: One-Dimensional Quality; M: Must-Be Quality; I: Indifferent Quality;

R: Reverse Quality; Q: uncertain;

SII: Satisfaction increment index = $(A+O)/(A+O+M+I)$

DDI: Dissatisfaction decrement index = $(O+M)/(A+O+M+I) \times (-1)$

* Denotes absolute value of coefficient > absolute value of mean of total coefficient