THE DETERMINING FACTORS OF SERVICE VALUE AND SATISFACTION FOR EDUTAINMENT SERVICES IN MALAYSIA

By

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I

ABSTRACT

The Determining Factors of Service Value and Satisfactions for Edutainment Services in Malaysia

By

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Edutainment is a growing business in our country and it is precisely to study the service value and satisfaction to learn about customers behaviors. The purpose of this study is to identify antecedents of service value and satisfaction and determine the relationship and which antecedents are most influential on value and satisfaction. This research used a non-probability with mall intercept convenience sampling and 130 respondents were participated in this survey. This study employed the Descriptive analysis, Correlation analysis, and Multiple Regression Analysis. For the data analysis, we have used 127 questionnaires and 7 questionnaires were eliminated due to incomplete. The results of this study are supported that overall service marketing mix and service quality have a positive and significant relationship between service value and service satisfaction. Meanwhile, the most influential antecedents on value are the physical evidence and service quality, for service satisfaction is the service quality. Our research suggests that the edutainment marketing managers should create an effective service marketing mix strategies which leads to customer perceived quality, perceived value as well as perceived satisfaction.

ABSTRAK

Faktor Menentukan Nilai Perkhidmatan dan Kepuasan untuk Perkhidmatan Pendidikan-Hiburan di Malaysia

Oleh,

Indra A/P Balachandran

Pendidikan-Hiburan berkembang sebagai perniagaan di negara kita dan ia adalah tepat untuk mengkaji nilai perkhidmatan dan kepuasan untuk mempelajari tingkah laku pelanggan. Tujuan kajian ini adalah untuk mengenal pasti latar belakang yang bernilai perkhidmatan dan kepuasan dan menentukan hubungan dan latar belakang yang paling berpengaruh kepada nilai dan kepuasan. Kajian ini menggunakan bukan kebarangkalian-pusat membeli belah dengan menggunakan pensampelan kemudahan and 130 orang responden telah mengambil bahagian dalam kajian ini. Kajian ini menggunakan analisis deskriptif, analisis Korelasi dan Analisis Regresi Berganda. Untuk data analisis, kami telah menggunakan 123 soal selidik and 7 soal selidik tidak gunakan disebabkan tidak lengkap. Hasil kajian ini disokong bahawa keseluruhan campuran pemasaran perkhidmatan, dan kualiti perkhidmatan mempunyai hubungan yang positif dan signifikan antara nilai perkhidmatan dan kepuasan perkhidmatan. Sementara itu, latar belakang yang paling berpengaruh pada nilai adalah bukti fizikal dan kualiti perkhidmatan, untuk kepuasan perkhidmatan adalah kualiti perkhidmatan. Kajian kami menunjukkan bahawa pengurus pemasaran pendidikan-hiburan perlu mewujudkan strategi yang berkesan campuran pemasaran perkhidmatan yang membawa kepada pelanggan yang berkualiti dilihat, nilai dilihat serta kepuasan dilihat.

II

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In addition, I would like to thank UUM library who provided online journals for helping me to accessed the journals with free as I had used the highest e-resources of UUM library, they awarded me the certificate as an appreciation (refer Appendix D). Additionally, I would like to thank all the respondents who willing to spend their own time for helping me to complete the data collection works. On a personal note, I would like to express my gratitude to all my family and my beloved friends who gave me the possibility to complete this thesis. Last but not least, I thank God for all his blessings.

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LIST OF ABBREVIATIONS

AMA – American Marketing Association

AMOS – Analysis if Moment Structure

ANOVA – Analysis of Variance

CFA – Confirmatory Factor Analysis

CPA – Certified Public Account

EFA – Exploratory Factor Analysis

IIB – Iskandar Investment Berhad

PERVAL – Customer Perceived Value

SEM – Structural Equation Modeling

SERPERF – Service Performance

SERQUAL – Service Quality

SMM – Service Marketing Mix

SPSS – Statistical Package for the Social Sciences

SQ – Service Quality

SS – Service Satisfaction

SV – Service Value

TAR - Themed Attractions and Resorts Sdn Bhd

CHAPTER 1

INTRODUCTION

1.1 Background of study

Since the past decades, customer value and customer satisfaction are interesting issues that discussed by marketing scholars. Today's business competitive dynamic, service firms' are pursuing for the service revolutionary to increase the value in order to attract and deliver satisfaction to the customer which leds for company's profits (Shaw and Ivins, 2002).

Customer satisfaction concept is the main concern of the marketing strategy which playing a crucial role in marketing activity output like purchasing and consumption process (Ahmet and Ertan, 2010). Satisfaction or dissatisfaction is fabricated on their previous experiences that comparing the outcome with what he or she expected (Oliver, 1981). While, customer perceived value is an ultimate goal and to ensure a fruitful purchase exchange transactions (Holbrook, 1994).

Customer satisfaction is achieved when the superior customer value is delivered by the service providers. While, superior performance is in turn of providing superior customer value (Slater, 1997). Indeed, value and satisfaction are highly connected to the marketing relationship, repurchase intension, and market share (Patterson and Spreng, 1997). Furthermore, the link between service quality and customer satisfaction is another concern of the marketing strategy for success and survival in the dynamic competitive environment.

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APPENDIX A

Dear Participant,

Survey Questionnaire:

"THE DETERMINIG FACTORS OS SERVICE VALUE AND SATISFACTION FOR EDUTAINMENT SERVICES IN MALAYSIA"

ACKNOWLEDGEMENT OF CONSENT

I am currently undertaking a research project towards Master of Science in International Business, at Universiti Utara Malaysia. Your valued input is highly beneficial to my study. *(All information received is highly confidential and will be used for analysis purposes only).*

Please respond as honestly as possible as the information obtained from this survey will help us to better understand the situation related with the issue. It is because, you are the one who can give us a correct picture of how you experience as a customer.

Thank you for your participation.

Yours truly,

MS. INDRA A/P BALACHANDRAN

Collage of Law, Government, and International Studies,

Universiti Utara Malaysia,

06010, Sintok.

Researcher Supervisor: **DR. MOHD HANIFF JEDIN**

APPENDIX A

Section A: Demographic Profile

Please place a tick "√" for each of the following:

1. **Gender:**
   - ☐ Male
   - ☐ Female

2. **Age:**
   - ☐ Below 18
   - ☐ 19 – 25
   - ☐ 26 – 40
   - ☐ Above 41

3. **Ethnic:**
   - ☐ Malay
   - ☐ Chinese
   - ☐ Indian
   - ☐ Others

4. **Education Level:**
   - ☐ High School
   - ☐ Diploma
   - ☐ Degree
   - ☐ Master
   - ☐ PHD
   - ☐ Others, please specify: _____

5. **Salary:**
   - ☐ Below RM1000
   - ☐ RM1001 – RM3000
   - ☐ RM3001 – RM5000
   - ☐ Above RM5001

6. **Nationality:**
   - ☐ Malaysian
   - ☐ Non-Malaysian

Section B: Service Marketing Mix

Does **Service Marketing Mix** have influence your perception towards Edutainment Service Satisfaction?

Please circle your answer to each statement using 5 Points Likert Scale:

(1) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5) Strongly Agree

	Price	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	More than one payment option.	1	2	3	4	5
2	Reasonable price.	1	2	3	4	5
3	Price according to the service quality.	1	2	3	4	5

	Place	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	Service location is convenient.	1	2	3	4	5
2	The service website is friendly.	1	2	3	4	5
3	Clear signage advertisement.	1	2	3	4	5
4	Provide convenient parking.	1	2	3	4	5
5	Provide convenient operating hours.	1	2	3	4	5

Please circle your answer to each statement using 5 Points Likert Scale:

(2) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5) Strongly Agree

	Promotion	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	The advertising campaigns are very creative.	1	2	3	4	5
2	The advertisements are frequently seen through media such as TV, radio and billboards.	1	2	3	4	5
3	Service provider based on special program with local content (i.e. Hari Raya, Chinese New Year or Deepavali).	1	2	3	4	5
4	I am concern word of mouth before purchase a specific service.	1	2	3	4	5

	People/Staff	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Staff gives a quick service delivery.	1	2	3	4	5
2	Staff able to help and ready to deliver service.	1	2	3	4	5
3	Staff well qualified and trained.	1	2	3	4	5
4	Staff treats me as a special and valued customer.	1	2	3	4	5
5	Staff has knowledge to answer my questions.	1	2	3	4	5

Please circle your answer to each statement using 5 Points Likert Scale:

(3) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5) Strongly Agree

	Physical Evidence/Appearance	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Staff appears in attractive uniforms.	1	2	3	4	5
2	Waiting space and queuing arrangements are comfortable and attractive.	1	2	3	4	5
3	Used well advance technology of equipment.	1	2	3	4	5
4	Advertisement material (i.e. brochures or statement) are visually appealing.	1	2	3	4	5
5	The overall premise atmosphere is comfortable and satisfies.	1	2	3	4	5

	Process	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	The service procedures are easy, quick and immediate.	1	2	3	4	5
2	The service provider delivers program as promised.	1	2	3	4	5
3	Super service provider without an error for children program.	1	2	3	4	5
4	Waiting time is predictable.	1	2	3	4	5
5	The service program provider is serious with complaints.	1	2	3	4	5

SECTION C: SERVICE QUALITY

Please circle your answer to each statement using 5 Points Likert Scale:

(4) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5) Strongly Agree

	Service Quality	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	The service is reliable and consistent.	1	2	3	4	5
2	The experience that I had is always excellent.	1	2	3	4	5
3	The company provides superior service.	1	2	3	4	5
4	Overall, I think this service provides a good service.	1	2	3	4	5

SECTION D: SERVICE VALUE

Please circle your answer to each statement using 5 Points Likert Scale:

(5) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5) Strongly Agree

	Service Value	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Service is worth the time, effort, and money.	1	2	3	4	5
2	Service is reasonably priced.	1	2	3	4	5
3	Service is good services for the price.	1	2	3	4	5
4	Service provide worth value.	1	2	3	4	5

SECTION E: SERVICE SATISFACTION

Please circle your answer to each statement using 5 Points Likert Scale:

(6) Strongly Disagree (2) Disagree (3) Neutral (4) Agree (5) Strongly Agree

	Service Satisfaction	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I am happy with this service.	1	2	3	4	5
2	Using this service is a satisfying experience.	1	2	3	4	5
3	Overall, I am satisfied with the service.	1	2	3	4	5

SECTION F: CUSTOMER PERCEPTION

1) Did you have any experience in the edutainment service?

   MegaKidz ☐   Legoland ☐   KidZania ☐

2) Will you return to the edutainment service?

   Yes ☐   No ☐

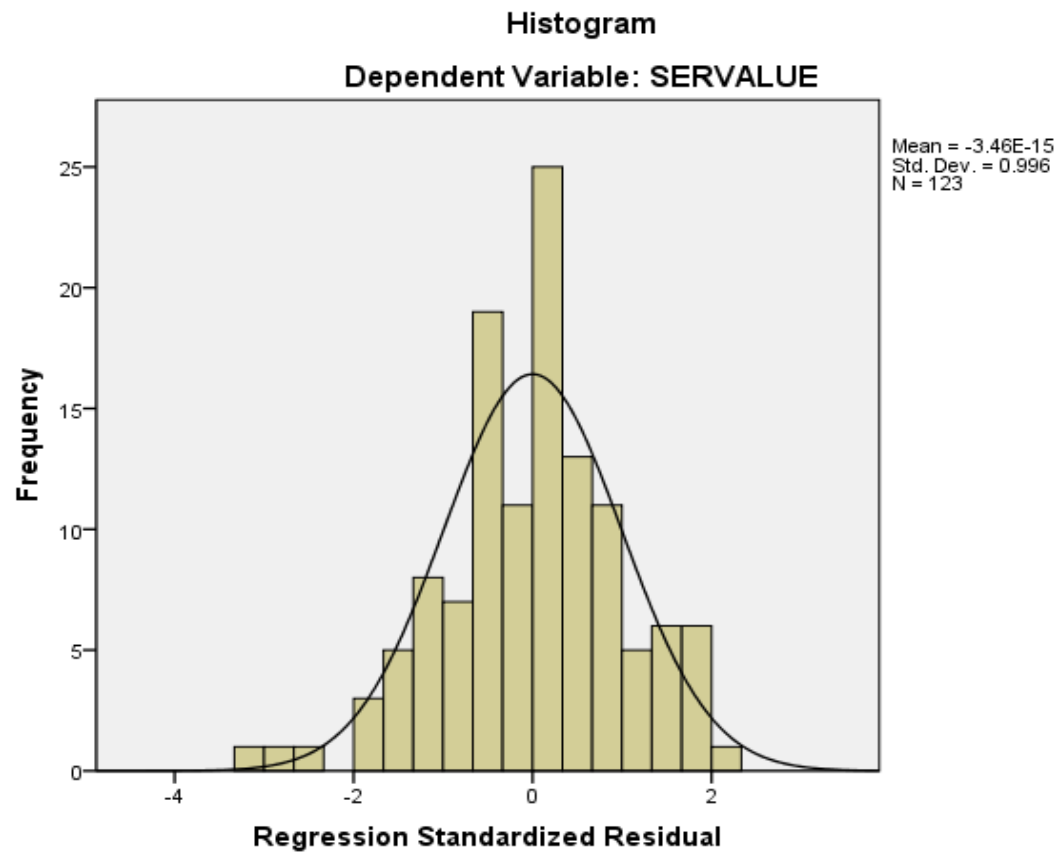3) Would you recommend the edutainment service to your friend?
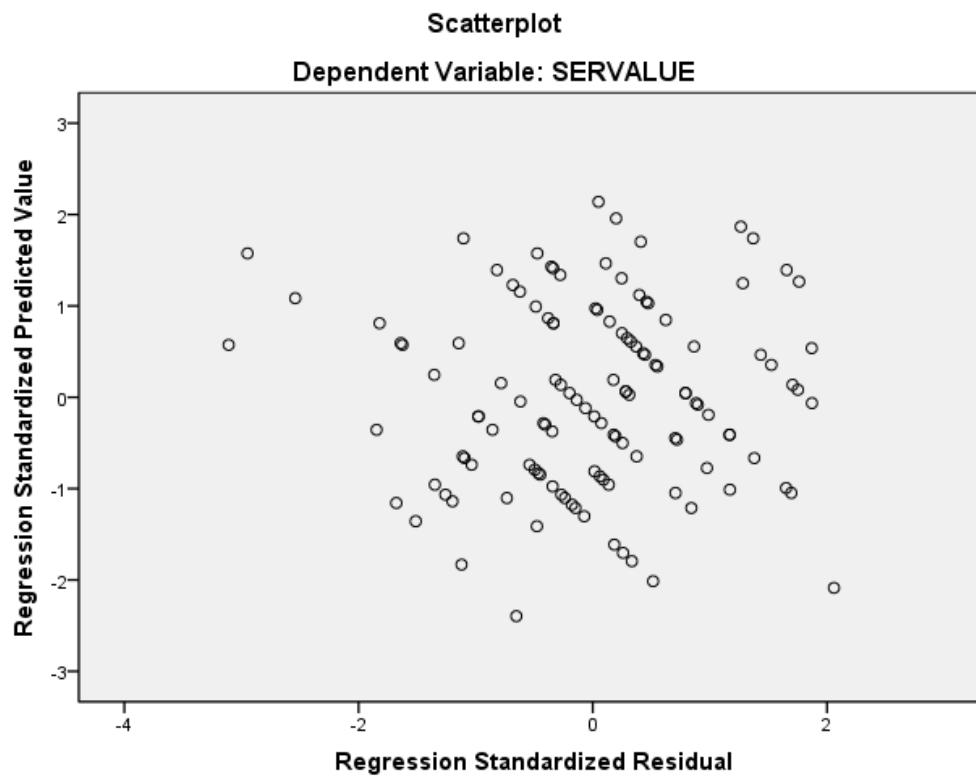
   Yes ☐   No ☐

THANK YOU FOR YOUR TIME AND OPINION.

Appendix B

Normality Test Charts

SMM and Service Value

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: SERVALUE

Scatterplot

Dependent Variable: SERVALUE

<u>SQ and Service Value</u>

Histogram

Dependent Variable: SERVALUE

Mean = -1.11E-15
Std. Dev. = 0.996
N = 123

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: SERVALUE

Scatterplot

Dependent Variable: SERVALUE

SMM and Service Satisfaction

Histogram

Dependent Variable: SERSATIS

Mean = -2.55E-15
Std. Dev. = 0.996
N = 123

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: SERSATIS

Scatterplot

Dependent Variable: SERSATIS

SQ and Service Satisfaction

Histogram

Dependent Variable: SERSATIS

Mean = 3.31E-16
Std. Dev. = 0.996
N = 123

Regression Standardized Residual

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: SERSATIS

Scatterplot

Dependent Variable: SERSATIS

Appendix C

Descriptive Charts for Customers' Demographic Profile and Customers' Perceptive

gender of respondent

- male
- female

60.2%

39.8%

age of respondent

- 19-25
- 26-40
- above 41

17.1%

23.6%

59.3%

ethnic

- malay 35.8%
- chinese 30.1%
- indian 20.3%
- others 13.8%

did you have experience in edutainment service

- megakidz 18.7%
- legoland 59.3%
- kidzania 22.8%

did you have experience in edutainment service

will you return to edutainment service

Percent

87.8%

12.2%

yes   no

will you return to edutainment service

would you recommend the edutainment service to friend

Percent

91.9%

8.1%

yes   no

would you recommend the edutainment service to friend

APPENDIX D

Table 2.1 Empirical research in Service Marketing Mix and Satisfaction

Author (s) / (years)	Variables of study	Research Design and Data Collection	Industry / Country	Objectives	Data Analysis	Findings
Mahmud et al. (2013)	-Service quality (SQ) -Price -Satisfaction -Loyalty	-Quantitative -Survey method -Final sample: 310 -used stratified random sampling	-Flight service industry (Jakarta-Makassar).	-To test and analyze the effect of service quality and prices toward customer's satisfaction and loyalty.	-Analysis of Moment Structure (AMOS) 7.0, -structural equation modeling (SEM)	-SQ has a positive and insignificant relationship on satisfaction. -Price has a negative and insignificant relationship with satisfaction. -SQ has a negative and insignificant relationship towards loyalty. -Price has a negative and significant effect on loyalty. -Satisfaction has a positive impact on loyalty.
Ahmad et al. (2013)	-Marketing strategy (health service, pricing, distribution, promotion, physical evidence, process, and personal strategies) -Patient satisfaction	-Quantitative method. -questionnaire -Final sample: 190 -Used purposive sampling strategy	-Private sector hospital in Jeddah in Saudi Arabia	-To define components of marketing mix of private sector hospital in Jeddah -To determine elements impact on hospital performance by measuring patient satisfaction -To determine effects of marketing mix on hospital performance by measuring satisfaction.	-Descriptive analysis -Correlation analysis -Multiple regression	-Health service, promotion, physical evidence, process, and personal strategies are significant on patient satisfaction. -Pricing and distribution have insignificant relationship on patient satisfaction.

Tale 2.2 Empirical Research in Quality, Value, and Satisfaction

Author (s) / (years)	Variables of study	Research Design	Industry / Country	Objectives	Data Analysis	Findings
Chen & Chen (2010)	-Experience quality -Perceived value -Satisfaction -Behavioral intensions	-Quantitative -Final sample: 447 -Self-administrated questionnaire survey	Heritage tourism in Tainan, Taiwan	-To examines the visitors' experience of heritage tourism and investigates the relationships between experience quality, perceived value, satisfaction, and behavioral intensions.	-Used SEM -Exploratory factor analysis -Confirmatory factor analysis (CFA)	-Experience quality has a positive effect on perceived value. -Perceived value and satisfaction have significant direct positive effect on behavioral intentions. -Experience quality has insignificant effect on behavioral intensions. -Quality experience impact on behavioral intensions when mediated by perceived value and satisfaction.
Malik (2012)	-Customer satisfaction **-** Service quality -Perceived value	-Quantitative -Final sample: 300 -Used convenience sampling technique	Service sector (banking, transport, courier, and telecommunication) in Pakistan	-To examine the -perceived service quality by using SERQUAL and the role of perceived value as mediating in the study.	-Descriptive and inferential statistical techniques -Stepwise regression analysis	-Perceived value has a strong relationship with satisfaction Perceived value do play role as partial mediating between perceived service quality and satisfaction.

Author (s) / (years)	Variables of study	Research Design	Industry / Country	Objectives	Data Analysis	Findings
Lee et al. (2008)	-Service quality -Service value -Customer satisfaction	-Quantitative -Survey questionnaire for two months -Total 135 hotel s agreed to participate in the study. -75 respondents from the five-star hotels -120 from the four-star hotels -200 from the three-star hotels.	Hotel services	-To examine the degree of the disconfirmation between expected and perceived performance of hotel service quality (five dimensions) and the effects of expectation disconfirmation on customer satisfaction. -To investigate the mediating role of service value between service quality and customer satisfaction.	-ANOVA -Paired t-test	-There are differences in the degree of customer satisfaction between positive disconfirmation and negative disconfirmation. -Service value has significant relationship with customer satisfaction. -Proposed that service value is mediate between service quality and customer satisfaction.
Eggert and Ulaga (2002)	-Customer perceived value -Customer satisfaction -Repurchase intention -Search for alternatives -Word-of-mouth	-Cross sectional -Telephone survey with purchasing managers in Germany. -Final sample: 301 out of 342.	Purchasing managers in Germany	-To investigate whether customer value and satisfaction represent two theoretically and empirically distinct concepts. -To examine value is a better predictor for behavioral outcomes than satisfaction in a business marketing context.	-Exploratory and confirmatory factor analysis -Statistical package AMOS 3.6.	-Customer perceived value and customer satisfaction can be conceptualized and measured as two distinct but complementary constructs. -Value and satisfaction has a strong interactions.

Author (s) / (years)	Variables of study	Research Design and Data Collection	Industry / Country	Objectives	Data Analysis	Findings
Al-Muala & Al-Qurneh (2012)	-Marketing mix (product, price, promotion, physical evidence, place, personnel, and process) -Satisfaction -Loyalty	-Quantitative -Non probability purposive sampling -Final sample: 690	-Tourism industry in Jordan (AlHemmah, Dead sea, Ma'in, and Afra)	-To explore the relationship between marketing mix, satisfaction, and loyalty in curative tourism industry in Jordan.	-SPSS, exploratory factor analysis (EFA)	-Product and place have significant on loyalty -Price, personnel and process has insignificant relationship on loyalty -Product, place, price, personnel, and process has significant impact on satisfaction -Satisfaction has mediate role between marketing mix and loyalty.
Consuegra et al. (2007)	-Customer satisfaction -Loyalty -Price acceptance -Price fairness	-Quantitative. -Questionnaires through personal interviews -Final sample: 200 -Convenience sampling method	-Airline sector	-To investigate the effects of customer satisfaction through loyalty on price acceptance.	-Structural equation model	-Price fairness influence on satisfaction and loyalty. -Concluded that satisfaction and loyalty are important antecedents for price acceptance.