A Study on Service Quality that Affect Customer Satisfactions at Raha Legecy Holidays, Shah Alam

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Abstract. This study will provide the outcome that may improve the service quality towards customer satisfaction in that company. There are few variables to measure the quality of service such as Reliability, Responsiveness, Assurance, Tangible and Empathy may affect customer satisfactions at Raha Legacy Holidays. In a company, customer satisfaction does have a positive effect on profitability this will leads to repeat purchase, and brand loyalty. Customers who are satisfied will likely to share their experiences with other people.

Keywords: Service quality, Satisfaction, Relationship

1. Introduction

According to [1] quality can be describe as "innate excellence." It is a sign that does not negotiation principles and great achievement, generally identified and known through experience. It demonstrates that quality vital to service that given to convey more advantage to client and furthermore organization. Each customer or buyer is emphasizing quality instead of another factor. It is to ensure their product and service that they are purchasing is justified, despite all the trouble for them.

Researcher in [2] said that service quality is the degree of difference between the customers' expectations for service and their actual perceptions of performance. Quality is measurable by each customer because every customer defines quality as different way. Ministry Tourism and Culture have encouraged people to travel around the globe, especially Malaysia. Therefore, service quality is essential to increase the number of domestic and foreign tourists. Through good service quality, local agents are able to increase the number of tourists in line with the wishes of the Malaysian government.

1.1 Problem Statement

Everyone in this world has no limit to make a movement beyond the boundaries of the world. Raha Legacy Holidays is one of the travel agencies that offers a wide range of destinations more than 10 countries as well as the entire island in Malaysia. Quality customer service is considered very important as image to the company. There are a variety of complaints from customers who want a quick and quality service. Every customer reservation booking take at least three days to get feedback from the agency. It will be difficult for company compete with other travel agent.

Table 1. No. Of Complaints Rate (%)

Year	No.of Complaints	Rate (5)
2013	2	0.012
2014	13	1.145
2015	32	1.345
2016	56	1.522

The source above is the number of complaints from walk in, social media and email. In year 2013, company get 0.012% complaints from all customers. In year 2014, it shows that number of complaints has been increase to 1.145%. Meanwhile, in year 2015, complaints still increase with 1.522%. Furthermore, in year 2016, they get rapidly complaints about their services which are 1.522%. Through all these complaints, company need to improve service quality to fulfil customer satisfaction.

Objective of this research is to investigate any influence of service quality towards customer satisfaction in Raha Legacy Holidays. The research question for this article is there any influence of service quality on customer satisfaction at Raha Legacy Holidays? Through good service quality, local agents are able to increase the number of tourists in line with the wishes of the Malaysian government.

2. Literature Review

2.1 Customer Satisfaction

A Researcher [3] said that service quality and customer satisfaction are important for companies to know how to measure this construct of expectations and perceptions because consumers' expectations of service quality are increasing, and people are becoming more and more critical of the quality of service they experience.

According to [4], customers' perceived service quality of travel agencies consists of three primary dimensions such as personal interaction, physical environmental and outcome. Perceived quality is, first, a perception by customers [5]. However, because customer is unable to see the actual service that they will buy in Raha Legacy Holidays, their decision basically based on expectation about quality service such as responsiveness, reliability, assurance, empathy and tangible. Customer usually expect the service quality that provide by company is excellent and do not have any problem.

2.2 Reliability

Reliability can be defined as a firm's willingness to help their customers by providing fast and efficient service performance [6]. Dealing whatever the problems in services encountered by customers, performing the required services right from the first time, services being rendered at the promised time and maintaining error-free record are the paradigm of reliability in term of service quality which will strongly affect the level of customer service quality [7].

2.3 Responsiveness

A responsive organization utilizes innovation to take in more about customer need and prepares its relations to convey the most elevated standard of client benefit. Great customer benefit is a piece of client responsiveness; customer responsiveness makes customer benefit a

stride further. Keeping that client upbeat by reacting to his or her needs is the key long haul achievement, and the system is a crucial device for client responsiveness [8]. This shows that responsiveness is related with the customer service quality.

2.4 Assurance

Quality assurance implies creating operational controls to guarantee that the outcomes coordinate the coveted results. Customer benefit operations are intended to keep customer fulfilled while securing association. To ensure customer benefit accomplish these objectives in customer private venture, the individual in charge of value confirmation must characterize the quality capacities as they apply to how they serve to their customer [9]. As such, security is the learning and affability of representatives and their capacity to pass on trust and their certainty. Assurance is the operating system of a company to upgrade to improve the quality of the company. Raha Legacy Holidays runs a service assurance to meet customer satisfaction while helping customer loyalty. In addition, assurance can improve the company's standards in a better direction.

2.5 Tangible

Tangible is the utilization of limited time things to add to mark acknowledgment and customer loyalty. This connects with the faculties and makes the brands more vital for customer. Tangible is capacity to play out the guaranteed benefit constantly and precisely. To acquire change benefit quality, there is a need to accentuation on substantial and elusive resources [10]. Shortly, tangible will make a company to give attention to the customer attention. It is to increase customer loyalty rather than product or service branding. It gives benefit to the company to well known.

2.6 Empathy

Empathy is characterized as the as the 'minding, individualized consideration the firm gives its customer [2]. It is capacity to relate to or comprehend the point of view, encounters or inspirations of another person. This measurement is likewise more appropriate on ventures where working with customer guarantees the association's survival rather than "transaction" [11]. Customer normally simply needs to make the most of their vacation and need somebody give them benefit occasion bundle without any issue. Through empathy, company can improve the products and services to increase customer satisfaction.

3. Methodology

3.1 Research Design

The research design refer to the general technique that coordinate the diverse segments of the study in an intelligible and coherent way, in this manner, ensuring adequately address the exploration issue; it constitutes the outline for the accumulation, estimation, and investigation of information [12]. For this study, conclusive research design was chosen because this study used existence sampling from previous researchers such as journal, books and articles.

3.2 Primary Data

According to [13] primary data is information that you collect specifically for the purpose of your research project. An advantage of primary data is that it is specifically tailored to your

research needs. In this research data was collected by primary data. Questionnaires are a series of questions where respondents fill in the answers to the alternative approach of their answers. The questionnaires design to provide specifically comment and explanation. It was modified and adopted to the previous research.

3.3 Secondary Data

Secondary data is the data that have been already collected by and readily available from other sources. For this research, secondary data was collected by various researches for example, article, websites, news and books. Through secondary data also provides a basis for comparison for the data that is collected by the researcher.

3.4 Place of Research

This research focus on services quality Raha Legacy Holidays provides packages to customer have their vacation. This research will be conduct at Raha Legacy Holidays Company and surrounding.

3.5 Sample of Research

There will be 150 questionnaires being distributed to previous and upcoming customers of Raha Legacy Holidays to survey company service quality towards travel agencies, Raha Legacy Holidays. Respondents will be choosing randomly from all demographic profile.

3.6 Instrument of Research

Data collection instruments refer to devices used to collect data such as questionnaires, tests, structured interview schedules and checklists. The questionnaire was designed to gather information about adolescent mothers' knowledge, attitudes and beliefs regarding contraceptives.

3.7 Reliability Test

Reliability Test functioning is to identify whether valid or not the respondent answering the survey. The test should be 0.6 to 1 to make sure it is valid survey. Besides that, this test also shows a significant figure to carry out the survey.

4. Research Findings

4.1 Reliability Test for All Variables

Table 2. Reliability Test for All Variables

Year	Reliability Statistics Cronbach's
Service Quality	.950
Empathy	.825
Tangible	.794
Responsiveness	.871

Table 2 shown, Cronbach's Alpha for the data above is 0.95. Thus, this study is considered reliable because of the value is greater than 0.70.

4.2 Multiple Regression Analysis

Table 3: Result of R Square

Model Summary

Model	R	R square	Adjusted R square	Std Error
1	.834a	.696	.679	Estimate .30733

Predictors: (Constant), TANGIBLE, ASSURANCE, RESPONSIVENESS, RELIABILITY, EMPATHY
The result of multiple regression analysis shows that 69.6% of the variance ($R^2 = 0.696$) in quality of Customer Satisfaction has been significantly showed by the independent variables (Reliability, Responsiveness, Assurance, Empathy and Tangible).

Table 4: Result Multiple Regression

Coefficients Model

	Standardized Coefficients		Unstandardized Coefficients		
					t Sig.
	B	Std. Error	Beta		
1 (Constant)	-.203	.243		-.836	.405
Realibility	.236	.167	.193	1.414	.161
Responsiveness	-.130	.162	-.111	-.801	.425
Assurance	.813	.288	.617	2.822	.006
Enpathy	-.239	.352	-.175	-.679	.499
Tangible	.391	.115	.352	3.398	.001

Dependent Variable: CUST.SATISFACTION

Multiple regressions are to learn more about the relationship between several independent or predictor variables and a dependent or criterion variable. Table 3 shows significant value for reliability Customer Satisfaction = 0.161 which is more than 0.05. It means there is no significant relationship between reliability and Customer Satisfaction. Next, responsiveness is not significant with significant value = 0.425 which is more than 0.05. Thus, there is no significant relationship between responsiveness and Customer Satisfaction. Meanwhile assurance is significant with significant value = 0.006 which is less than 0.05. There is significant relationship between assurance and Customer Satisfaction. Furthermore, empathy shows no significant with significant value = 0.499 which is more than 0.05. Thus, it means there is no significant relationship between empathy and Customer Satisfaction. Meanwhile, tangible show significant with significant value = 0.001 that less than 0.05. It means there is significant relationship with Customer Satisfaction. As summary, there are 3 independent variables that have no significant with Customer Satisfaction which are Reliability, Responsiveness and Empathy. While there are 2 independent variables that have significant with Customer Satisfaction that are Assurance and Tangible.

5. Conclusion

Results of data analysis in the findings, can determine the meaning of service quality that provided to customer for their holiday vacation. Raha Legacy Holidays should upgrade the customers' satisfaction by this investigation. The hypothesis issued can improve the quality of service of the company. From this research, it showed that assurance and tangible clearly most influence of the service quality. Through the company, Raha Legacy Holidays must take these

two considerations to improve company quality to fulfill customer satisfaction needs and wants. It shows that Assurance is one of the service qualities that affect customer satisfaction at Raha Legacy Holidays. Company need to improve operational of the company to increase customer satisfaction. Meanwhile, company also need tangible as considerations. All the transactional and attract customer attention important to fulfill customer satisfaction.

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