Master of Business Administration

**The Effect of Service and Product Quality on the Attitude and
the Intention of Revisit**

Graduate School of Business Administration

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The Effect of Service and Product Quality on the Attitude and the Intention of Revisit

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ABSTRACT

Not only in Uzbekistan but also anywhere else in the world, companies, markets, retailers want to make profit. And for this they will have to increase sales. The sales volume of the product depends on the customers who visit the store. The more customers in the region visit the store and buy more products, the more the store will benefit.

When do customers buy a lot of products and revisit the store in such competitive conditions? The most important factor in answering this question is the quality of service and products. When the quality of products and services in a store is excellent and customers are treated well, then customers want to come back to the store to shop This means that the higher the quality of service and product quality of the store, the more likely the store will get customers to visit the store again, and the more products will be sold, the greater the profit.

Thus, the store should evaluate service quality and, if necessary, develop and implement ways to improve it. To do this, I conducted an observation in one of the local department store in my country. In other words, I conducted a survey of 150 buyers with questions to find out to what extent the quality of services and products of this department store satisfies the wishes and desires of buyers, and how the behavior of sellers affects the mood of buyers. I collected and analyzed all the data collected from the results of this observation. In this thesis, I will highlight my analysis and from the analysis I will learn how service and product quality affects customers' attitude and intention of revisit to the department store.

CONTENTS

CHAPTER 1 INTRODUCTION

1.1 Research background and objectives

In any part of the world, companies, markets, retailers want to make profits. And for this they will have to increase sales. The sales volume of the product depends on the customers who visit the store. The more customers in the region visit the store and buy more products, the more the store will benefit.

When do customers buy a lot of products and revisit the store in such competitive conditions? The most important factor in answering this question is the quality of service and products. When the quality of products and services in a store is excellent and customers are treated well, then customers want to come back to the store to shop This means that the higher the quality of service and product quality of the store, the more likely the store will get customers to visit the store again, and the more products will be sold, the greater the profit.

Thus, the store should evaluate service quality and, if necessary, develop and implement ways to improve it. To do this, I conducted an observation in one of the local department store in my country. In other words, I conducted a survey of 150 buyers with questions to find out to what extent the quality of services and products of this department store satisfies the wishes and desires of buyers, and how the behavior of sellers affects the mood of buyers. I collected and analyzed all the data collected from the results of this observation. In this thesis, I will highlight my analysis and from the analysis we will learn how service and product quality affects customers' attitude and intention of revisit to the department store.

1. To give a short review of related literatures for the relationship among service and product quality with attitude and intention of revisit.
2. To observe the impact of service and product quality to attitude and revisit by making a survey.
3. To offer some suggestions for future improvement of quality of service and products to make customers revisit the store.

Quality of sales service is a set of elements that determine the state of the material and technical base, the use of progressive methods of sales, the completeness and stability of the range, the time spent or the purchase and turnover of goods.

The service culture also includes a number of elements that describe the level and status of customer service in the sales area of the store. These include the stability of the range, the use of advanced forms of sales and additional services, the time spent

waiting for service, the assessment of customer service culture, good sanitation and beauty indicators. appearance trading platform and staff, compliance with established rules of sale and sale of individual goods, etc.

Thus, the sales service culture includes a set of quality characteristics of the sales service process and conditions to customers, as well as relevant indicators, the calculation of which allows us to assess the level of service.

Additional services include specific activities aimed at assisting customers in purchasing, delivering and using goods. All customer services can be divided into three groups:

1. Specified in the sales process;
2. Performed in the process of after-sales service;
3. Not directly related to the sale of specific goods.

So, a high level of customer service in stores is one of the forms of formation of the competitive advantage of the trading enterprise in the consumer market.

1.2 Organization of the research paper

To highlight objects mentioned above, this thesis arranged as follows: Chapter One goes ahead with the quick introduction and the determination of the research pursued by research motivations, research questions, and research approaches. Chapter Two includes literature reviews of previous researches and the underlying concept of determinants of a country's image, resident satisfaction, and quality of life. Chapter Three presents the research design. Chapter Four describes the data, variables, measurements, collections, and results. Finally, Chapter Five provides conclusion, limitations and suggestion for future research..

CHAPTER 2 THEORY AND LITERATURE REVIEW

2.1 Service quality

Good service quality is important to attract and retain customers. Organizations, markets need to improve the quality of service in it and to prepare their vendors treating pleasantly for buyers. Then they will have more customers, and as a result, their profits will be much higher.

In contemporary economy, service quality has received a considerable research attention in marketing literature (Teas, 1993). Substantial research has focused on the concepts of service quality associated with customer attitudes and satisfaction, and the measurement techniques of the service quality (Taylor and Cronin, 1992). Many academic literatures and books address variety of definitions and concepts about service quality and hypothesize a comparison of consumer expectations with performance. Parasuraman, Zeithaml and Berry (1985) defined service quality as perceptions resulting from a comparison of consumer expectations with actual service performance[1]. In addition, Severt et al. (2006) stated that service quality is a tool for how well the customer expectations are matched by the delivered service level and it is known that if the customer expectations are higher than the perceived performance, then it could affect the customer satisfaction negatively (cited by Parasuraman et al., 1985). In consonance with this, service quality can be seen as a bond that is created between the organization and its customers[2] (Schneider & White, 2004). Even though there are many different definitions for what service quality is, the general consensus in the literature is that it is the discrepancy between the expectations and the perceptions of customers.

Like organizations that produce goods, even organizations that produce services play an important role in stimulating research and development of new things that separate services, schemes from competitors and create profitable market opportunities for capitalization. The quality that is created creates a limit to expectations, because users who have tasted the sweetness of world-class services expect the same from other organizations. Expectations lead to satisfaction or dissatisfaction. If marketers manage to meet the expectations of users, they will get satisfaction, and satisfaction will create ways to increase market share.

It should be noted that satisfaction with service quality is the result of expanding resources and activities to offer services against users 'expectations. It is also believed that service quality can be divided into technical quality and functional quality. To improve the quality of services

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[1] Parasuraman, Valarie, Zeithaml and Berry (1985)
[2] Schneider & White, 2004

marketers offer service providers need to identify the causes of increased dissatisfaction among users and take appropriate measures (technical or functional) to minimize it.

Technical measures draw the attention to inventions and innovations in technology that help improve the quality of services. He prefers to have a technology-driven or technology-based service. Functional measures focus the attention on improving the quality of services provided by employees, which leads to work style, work culture, the formation of a useful package, employee behavior, and so on.

In defining the concept of service quality, one should always start with customers, because quality is the most important factor for customers and also leads to the achievement of service quality as the basis of their opinion.

Service quality is an important element in the development of a service product, as it affects the volume of demand for this service product, as well as the consumer profile of this service product. The most important means of positioning service providers and their offerings in the modern services market is the quality of these services.

The impact of quality service on the profitability and financial performance of a business is an important aspect to understand in service marketing. Service quality should be seen not only as a strategic force, but also as a key issue in service marketing management.

Service quality is an important source of sustainable competitive advantage as it contributes to continuous improvement in service efficiency through increased market share and profit growth. This leads to increased financial results and sustainable competitive advantage.

The marketing strategy for quality-based services is sustainable because not all competitors can achieve the quality of service that consumers expect. Consequently, service companies that base their strategies on quality have an excellent reputation, and this feature of their quality is an obstacle in the development of competitive marketing strategies.

Service providers define and achieve quality of service, and consumers perceive quality in the process of service. Consumers' perception of moments of reality is directly reflected in the overall assessment of the quality of services, especially in services where deliveries are repetitive, which implies a highly professional approach to moments of reality, building long-term consumer relationships and focus on support.

Improving the quality of service and building long-term relationships with customers requires a good understanding of the moments of reality, i.e. the activities in them, as well as how they are perceived by customers.
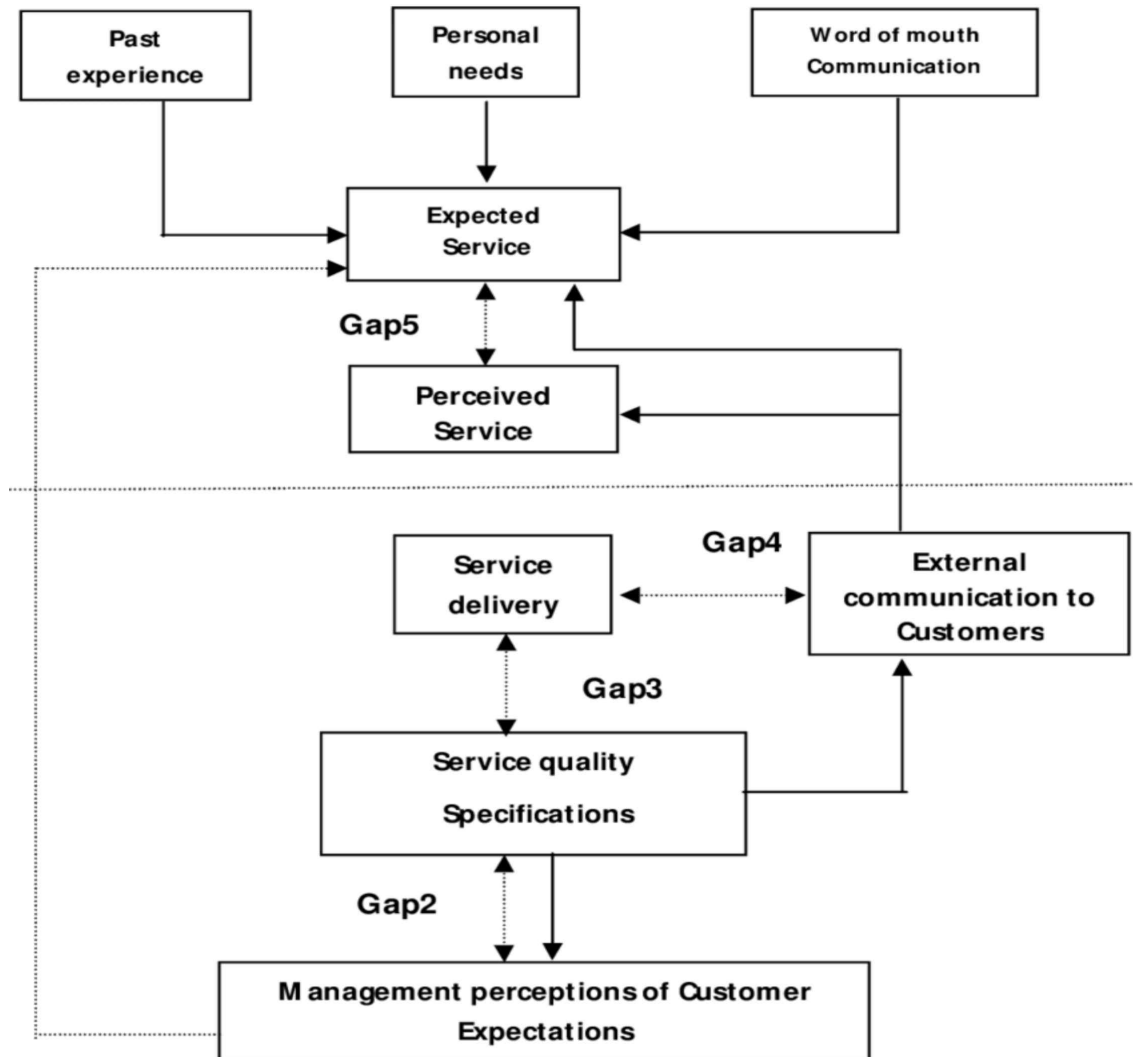
Figure 2.1.1 – GAP model[3]

The GAP Service Quality Model helps the company understand customer satisfaction. In the service sector, the GAP model is widely used to understand the various differences that occur in the process of providing services to potential customers.

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[3] SERVICE QUALITY GAP MODEL SOURCE: A. PARASURAMAN, VALARIE A. ZEITHAM L, AND LEONARD L. BERRY (1985) IN PERMATA (2013) THE SEVEN GAPS ARE QUOTED BY FANDY TJIPTONO IN KAIHATU (2008), NAMELY: A. GAP 1, THE GAP BETWEEN CONSUMER EXPECTATIONS AND MANAGEMENT PERCEPTIONS : MANAGEMENT CANNOT ALWAYS FEEL WHAT CUSTOMERS WANT APPROPRIATELY.

The GAP model creates a roadmap for the entire service process and identifies the gaps between processes for the entire model to operate efficiently and effectively. This helps service providers to identify inefficiencies in the service process.

2.1.1 Evaluation of service quality

Excellent customer service is very important. In a highly competitive environment, companies that do not compete for quality customer service lose out to those who constantly satisfy customers and provide high quality service.

However, even companies that understand the need to provide exemplary experience have difficulty evaluating the quality of their services. It can be difficult to evaluate because it is an indicator of quality rather than quantity. Some researchers have even wondered how to measure service quality and understand how it affects customers.

Measuring and improving service quality can increase the organization's revenue and reputation Regardless of the industry, service quality can have a direct impact on a company's ability to meet customer needs while remaining competitive. Learning how to measure and improve service quality is a valuable skill, but it requires research and experience.

Generally, service quality measurement is entirely dependent on context and brand loyalty, and service quality measurements vary by industry. However, the industry standard and most common indicator is SERVQUAL.

SERVQUAL is based on a set of five parameters, which customers consistently rate as the most important for service quality, regardless of service area. These measurements, determined by the SERVQUAL measuring instrument[4], are as follows:

- Reliability: This refers to an organization's ability and consistency in performing a certain service in a way that satisfies its customers' needs. This process involves every step of customer interaction, including the delivery or execution of the good or service, swift and precise problem resolution and competitive pricing. Customers have a certain expectation of reliability in buying a specific product, and a company's success usually depends on its ability to meet those expectations.
- Tangibility: This is an organization's ability to portray service quality to its customers. There are many factors that give a company highly tangible quality, such as the appearance of its headquarters, its employees' attire and demeanor, its marketing materials and its customer service department.

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[4] SERVQUAL 5 dimensions. https://www.indeed.com/career-advice/career-development/service-quality

- Empathy: Empathy is how an organization delivers its services in a way that makes the company seem empathetic with its customers' desires and demands. A customer who believes a company truly cares about their well-being is likely to be more loyal to that company.
- Responsiveness: This is a company's dedication and ability to provide customers with prompt services. Responsiveness implies receiving, assessing and swiftly replying to customer requests, feedback, questions and issues. A company with high service quality always responds to customer communication as soon as possible which can often indicate the value a company places on customer satisfaction.
- Assurance: Assurance is the confidence and trust that customers have in a certain organization. This is especially important with services that a customer might perceive as being above their ability to understand and properly evaluate, meaning that there has to be a certain element of trust in the servicing organization's ability to deliver. Company employees need to be mindful of earning the trust of their customers if they want to retain them.

These five SERVQUAL metrics are used to measure the difference between customer expectations for service quality and their perception of actual service. When used over time, the SERVQUAL tool helps clients to understand their expectations, their perception of specific services, and areas for quality improvement.

SERVQUAL has been used in a variety of ways, such as identifying specific service elements that need to be improved and focusing on training opportunities for service personnel.

The correct design of the elements used in the SERVQUAL tool has a lot of information at the element level and has a practical impact for the service manager.

Service quality indicators assessed by SERVQUAL should be adjusted for optimal performance across industries, including public and private sector applications.

SERVQUAL indicators are very reliable, but may not be able to accurately determine the five main parameters when used in different areas. Other measures, such as the Six Sigma model, should be considered as they can be used to determine the difference between service expectation and service perception.

2.1.2 Possible instruments for service quality

In my survey paper, I have written 22 instruments to evaluate service quality by customers. Now I want to show them here by categorizing in 5 dimensions of SERVQUAL.

Category 1: Tangibles

1. The department store has up-to-date equipment.
2. The department store's physical facilities are visually appealing.
3. The department store's employees are well dressed and appear neat.
4. The appearance of the physical facilities of the department store is in keeping with the type of services provided.

Category 2: Reliability

5. When the department store promises to do something by a certain time, it does so.
6. When you have problems, the department store is sympathetic and reassuring.
7. The department store is dependable.
8. The department store provides its services at the time it promises to do so.
9. The department store keeps its records accurately.

Category 3: Responsiveness

10. The department store tells customers exactly when services will be performed.
11. You receive prompt service from the department store's employees
12. Employees of the department store are always willing to help customers.
13. Employees of the department store are not too busy to respond to customer requests promptly.

Category 4: Assurance

14. You can trust employees of the department store.
15. You feel safe in your transactions with the department store's employees
16. Employees of The department store are polite.
17. Employees get adequate support from The department store to do their jobs well.

Category 5: Empathy

18. The department store gives you individual attention.
19. Employees of the department store give personal attention.
20. Employees of the department store know what your needs are.
21. The department store has your best interests at heart.
22. The department store has operating hours convenient to all their customers.

2.2 Product quality

Marketers develop products to meet the needs of their customers. The main attribute or characteristic of the products, products or services or a combination of both is the quality of the product.

In general, I can say that a product is of satisfactory quality if it satisfies the consumer/user. The consumer buys a product or service only if they meet his requirements.

Quality is the performance of a product in accordance with the manufacturer's obligations to the consumer. Such an obligation may be explicit or implicit, for example, in the form of a written contract or in accordance with the expectations of the average consumer of the product. The performance of a product depends on the final function and service that the product must provide to the end user; consumer.

A product is only known to be a quality product if it meets various criteria to work for the consumer. In addition to physical criteria, there is also a service and time factor for quality. The same quality of physical performance must be available for a reasonable period of time. Thus, time is also an unnecessary aspect of quality.

In conclusion, quality is a key feature that consumers use to evaluate products or services. Thus for everyone involved in the business, the overall needs of each consumer / user must be met, regardless of who the customer is and the market conditions, i.e. competition and especially the consumer.

The dimensions of quality (how quality is determined) includes the following:
- Performance: Primary product characteristics, such as the brightness of the picture
- Features: Secondary characteristics, added features, such as remote control
- Conformance: Meeting specifications or industry standards, workmanship
- Reliability: Consistency of performance over time, average time of the unit to fail
- Durability: Useful life, includes repair
- Service: Resolution of problems and complaints, ease of repair
- Response: Human – to – human interface, such as the courtesy of the dealer
- Aesthetics: Sensory characteristics, such as exterior finish
- Reputation: Past performance and other intangibles, such as being ranked first

The following are the important steps for quality planning
- Establishing quality goals.
- Identifying customers.
- Discovering customer needs.
- Developing product features.
- Developing process features.
- Establishing process controls and transferring to operations.

Product quality is the most important parameter for a product, brand or organization. Quality determines the customer experience and repeat business. If the quality of the product is poor and the product cannot do its job reliably and safely, the brand image will be undermined. Clients will not be able to redeem them and the overall market position will decrease.

Product quality can create or distort a brand in the market, so businesses should focus on product quality first. A poor quality product can also do the job, but customers will not be able to buy it back or trust it when it starts to show quality issues.

There are certain parameters[5] that decide the overall product quality. These are:

1. Ability to meet stated needs

   The first and foremost quality parameter is the ability of a product to perform its stated functions with accuracy and repeatability. For example, a microwave oven should perform basic reheating of food according to temperature settings and on a regular basis. If he accidentally reheats food, the quality will be poor.

2. Durability

   Good products are always resistant to their intended service life. Good quality TVs are known to stay in homes for many years and decades. Even today, quality phones continue to work for many years. Durability is an important aspect of product quality, as well as customer acceptance.

3. Reliability

   This item is a bit similar to the first item, but the reliability is that the quality is so good that consumers can trust it every time. Quality goods are always as reliable as cars and vehicles.

4. Efficiency

   The quality of a product depends not only on the performance of the product, but also on how well it does its job or saves costs. Poor quality is often associated with high costs of operations and repairs.

   High quality air conditioners work better than low quality products and consume less energy. Efficiency is a very important parameter in determining overall quality.

5. Safety

   A good product always pays attention to the safety of the end user. Many products put a lot of emphasis on this and it helps them create a positive brand image in the market. On the other hand, bad products cause problems and are poorly received.

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[5] https://www.mbaskool.com/business-concepts/marketing-and-strategy-terms/3231-product-quality.html

6. Finishing and build quality

   A good product would always have proper finishing without rough edges or poor visual quality.

   As an example, phones of good companies are often sleek in design and have good build quality and materials used as compared to low quality phones.

7. **Packaging**

   An important parameter of the quality of a product can be its packaging. Good products have proper packaging, labels, instructions, and relevant branding and quality documentation.

Product quality needs to be regularly monitored and be improved based on market and customer feedback.

Some of the techniques[6] used are:

- Process control
- Product control
- Six sigma
- Quality control
- Total quality maintenance

For instance, from the moment of packaging in a quality TV, it is properly marked, labeled and protected. All the necessary parts for installation come with the user manual a remote control is included, which is also quality.

The main TV block will have good construction quality and coverage. Once installed, productivity, picture, sound, features, integration work seamlessly and as expected.

To meet customer quality requirements, it is necessary to fully understand the interactive role of all the major activities of the organization. These actions, which are performed anywhere, together replace the Quality Functions. Thus, the quality function can be defined as a set of measures by which an enterprise can achieve a quality level, regardless of where it is implemented.

Thus, it can be concluded that quality function management typically requires the use of management, technical, and analytical conclusions based on observations, including statistical insights, on the core functions of the organization.

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[6] https://www.mbaskool.com/business-concepts/marketing-and-strategy-terms/3231-product-quality.html

2. 2. 1 Possible instruments for product quality

In my survey paper these instruments are written for determining the level of product quality and service quality by customers visited in the local department store:

- The product quality of the department store is good.
- The service quality of the department store is good.

Actually, there are three instruments, and the third one is overall satisfaction question that combined form of above mentioned 2 instruments.

2.3. Customers' attitude and their intention of revisit

At Dale Carnegie, people believe that any increase in efficiency depends on two things: the way of thinking and the skill. Customer service initiatives often focus only on skill sets. Without thinking or attitude, it will be much harder to maintain a skill set and it will be easier to fall into indifference.

Customer service is a great way to add long-term value to customers. During this time, the organization shows the total amount of income that it can expect from one client. If customers have a positive shopping experience, they are more likely to buy again. It is also easier to sell new products to existing customers. Loyal customers trust products and services recommended by the sales and customer service team more because they already have a lot of experience.

Providing high-quality customer service involves understanding expectations, striving to move forward, and being an advocate for customers. Demonstration of support, sincere interest and respect influences the behavior of customers, turning them from indifference to loyalty. By offering quality customer service, marketers add value to the company's brand, enhance the reputation in the marketplace, and set an example of caring for the people who will buy the product or service.

Finally, it is much more pleasant to return home at the end of the working day with a positive attitude, less frustration and pride in the contribution to the result.

CHAPTER 3 HYPOTHESIS AND RESEARCH MODEL

3.1 Research Model

I set a research model as in figure 3.1. In other word, this model illustrates the impact of service and product quality attitude and intention of revisit. And each of these relations indicates hypotheses of my research.
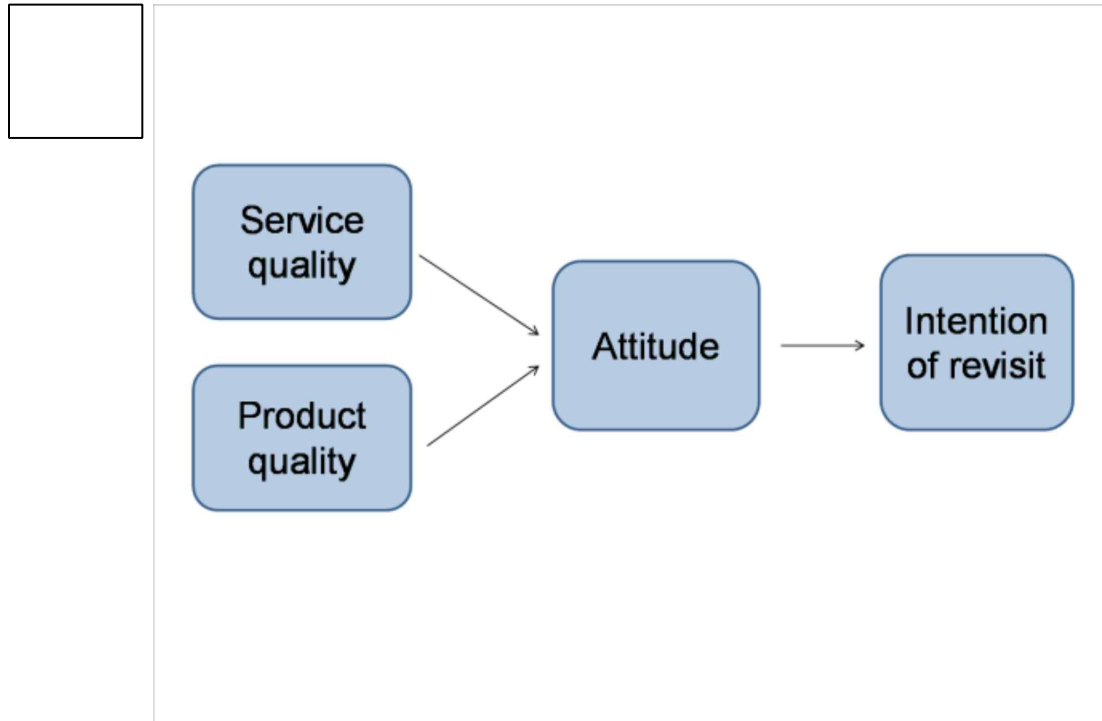
Figure 3.1 Research model[7]

3.2 Research Hypothesis

Here 22 instruments of service quality are categorized by 5 dimensions of SERVQUAL influenting to attitude. When people visit the store to shop some products, they look product quality, conditions, neat-clothed and well-treated sellers, after considering all of these factors, they form attitude of the store in their minds.

Other researchers note that service quality affects loyalty[8] (Monsef et al., 2012), and also examines the effect of loyalty on loyalty behavior (Zeng and Zhang, 2008; Biscaia, 2013; Gecti,

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[7] My research model where service and product quality affecting on attitude, and attitude impacts on revisit
[8] Monsef et al., 2012

2013; Yeng and Mat, 2013; Hosseini, 2013). As for the impact of service quality on behavior, the relationship is positioned as a mediator (Yeng and Matt, 2013). This finding suggests that there is a relationship between service quality, attitude, and loyalty behavior, and thus loyalty attitudes are expected to be a potential proxy variable. There is also research that describes how customer satisfaction is related to loyal attitudes and loyal behavior. Loyalty mediates the impact of customer satisfaction on loyalty behavior (Ouhna, 2013). So I proposed the following hypothesis.

H1: Service quality affects attitude of the store positively.

Good product quality can increase the decision of customers to purchase a product or service. This is consistent with the results of a study by Shakharudin (2011), who found that the level of product decision-making is based on eight dimensions of frame quality and shopper buying behavior. So I proposed the following hypothesis.

H2: Product quality affects attitude of the store positively.

The attitude indicates a desire to buy the service rather than choosing other brands. This is measured as a repetitive purchase action by the buyer. Kotler and Keller (2012) believe that if consumers are satisfied, they will repeat the purchase of the service in the future. However, despite the fierce competition in the market, the buyer is still the deciding factor in the purchase decision. A loyal customer tends to purchase the same service, but there are many other options (Tjiptono, 2011). Customers loyalty can be seen in two dimensions: preference (customer choice) and willingness to defend (Biscaia, 2013; Hosseini, 2013). So I proposed the following hypothesis.

H3: Attitude affects the intention of revisit positively.

CHAPTER 4 METHODOLOGY AND RESULTS

4.1 Econometric model

Econometric models are statistical models used in econometrics. An econometric model defines a statistical relationship that is thought to exist between different economic quantities associated with a particular economic event. The econometric model can be derived from a deterministic economic model that is subject to uncertainty, or from an economic model that is itself stochastic. However, econometric models that are not linked to any economic theory can also be used.

In my case, linear regression econometric model is used. I highlight 3 econometric models below, that demonstrates regression between service quality, product quality, attitude and intention of revisit.

$$Y_A = \beta_0 + \beta_1(X_{Sq}) \qquad (4.1.1)[9]$$

The above formula (4.1.1) is the econometric model showing degree of attitude affected by service quality. Here: β_0 – an intercept of the model; β_1 – parameter belonging to service quality; Y_A – attitude of the store; and X_{Sq} – it is for service quality.

$$Y_A = \beta_0 + \beta_1(X_{Pq}) \qquad (4.1.2)[10]$$

This second model (4.2.2) also is similar to the former one, it illustrates the degree of attitude by consumers too. However, there is an impact of product quality on the attitude of the store. Actually, β_0 and β_1 are not the same with the first formula, now they are parameters of product quality; Y_A – attitude of the store; and X_{Pq} is for product quality.

$$Y_R = \beta_0 + \beta_1(X_A) \qquad (4.1.3)[11]$$

Now, it is turn for evaluating intention of revisit by the (4.1.3) formula. The model displays somewhat the degree of customers visiting to the store again by their attitude. In this formula also β_0 and β_1 parameters are different from β_0 and β_1 demonstrated in the formula of (4.1.1) and (4.1.2); Y_R – intention of revisit; X_A – attitude of the store.

4.2 Explanation of variables

In the (4.1.1) and (4.1.2) formula, attitude of the store is a dependent variable. Nevertheless, attitude of the store independent variable reversely for the (4.1.3) formula.

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[9] Econometric model. Service quality affecting on attitude according to my survey
[10] Econometric model. Product quality affecting on attitude
[11] Econometric model. Attitude affecting on intention of revisit

Each customer treats it as a process leading to a repurchase that is expected to take place to meet their needs. The high interest of customers is mainly influenced by the close relationship between factors such as service, satisfaction and loyalty. When customers develop loyalty to a high-service brand, they are very involved in purchasing decisions and work very carefully.

Consumer engagement with a service brand can be based on their level of engagement, with consumers actively processing in response to marketing stimuli. Attitude includes constant repurchases/actual repurchases, holding a membership card, and positive verbal acknowledgment.

Moreover, the most important dependent variable of my model is intention of revisit.

When it comes to long-term customer retention, customer service comes first. If shoppers feel valued and have a positive shopping experience, they are more likely to shop from a department store again. Loyal customers are more likely to trust the products and services the store offers because they have a great experience.

Service quality and product quality are considered independent variables in (4.1.1) and (4.1.2) formula. When the quality is perceived by the consumer and meets or exceeds their expectations, this leads to profitability. Service quality is also defined as the degree or direction of the discrepancy between perceived quality and expectations. It can be seen that if the quality received is as expected, the quality of service will be positive and satisfy the customers. However, if the accepted quality does not meet the expectations, the negative attitude of the customers to the service will lead to the loss of customers. Service quality is often defined as the difference between received and expected service.

4.3 Data analysis and results

The data collected around 150 often visiting customers in one of my local department store. In the survey, customers asked necessary questions about service and product quality, their attitude of the store and intention of revisit. SPSS software was used to analyze the data. In this chapter, I used regression analysis and one-way ANOVA analysis for hypothesis testing.

4.3.1 Regression analysis

In the beginning, to make the analysis more clear I should list common abbreviations in the data.

S1-S22 – service quality questions (found in survey material);

S23 – overall satisfaction of service quality;

SC1 – tangibles (a category of 5 dimensions);

SC2 – reliability;

SC3 – responsiveness;

SC4 – assurance;

SC5 – empathy;

P1-P2 – product quality questions;

P3 – overall evaluation of product quality;

AM – mean value of attitude results;

RM – intention of revisit mean value

Firstly, I need to get evaluations of 22 service quality questions by categorizing in 5 dimensions and mean value of evaluations of product quality questions, and regress them to mean value of attitude.

Table 4.3.1.1[12] – regression analysis of service and product quality to attitude of the department store

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.140	.174		.803	.423
	SC1	-.117	.133	-.102	-.884	.378
	SC2	.209	.131	.192	1.598	.112
	SC3	.194	.134	.184	1.449	.150
	SC4	.228	.135	.207	1.686	.094
	SC5	.429	.101	.433	4.233	.000
	PM	.031	.107	.031	.293	.770

a. Dependent Variable: AM

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.918[a]	.843	.836	.2228

a. Predictors: (Constant), PM, SC5, SC1, SC2, SC4, SC3

One can see in table (4.3.1.1) that there are 2 significant values. SC4 has marginally significant level, 0.09, greater than 0.05 but smaller than 0.1, and SC5 has 0.0 significant level, it is smaller

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[12] regression analysis of service and product quality to attitude of the department store

than 0.05. Assurance and empathy have 0.23 and 0.43 coefficients respectfully. In this regression table R square is 0,84. It means that service and product quality influencing up to 84 to attitude.

Secondly, I check the regression analysis of overall opinions of service and product quality to attitude.

Table 4.3.1.2[13] – regression analysis of overall opinion of service and product quality to attitude

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.574	.222		2.589	.011
	S23	.433	.077	.444	5.631	.000
	P3	.432	.080	.424	5.377	.000

a. Dependent Variable: AM

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.825[a]	.681	.677	.3127

a. Predictors: (Constant), P3, S23

This analysis, in the table (4.3.1.2), shows both overall evaluation of service quality and overall evaluation of product quality significant. As their coefficients are similar, 0.433 for S23 and 0.432 for P3, they have similar impact on the attitude of the store by customers. The impact of overall evaluation of service and product quality to attitude of the store is 68%.

Thirdly, I analyzed regression to find out the attitude affect on intention of revisit in what coefficient below in the table (4.3.1.3)

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[13] regression analysis of overall opinion of service and product quality to attitude

Table 4.3.1.3[14] – regression analysis of

attitude to intention of revisit

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.483	.238		2.030	.044
	AM	.877	.053	.806	16.593	.000

a. Dependent Variable: RM

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.806[a]	.650	.648	.3550

a. Predictors: (Constant), AM

The table (4.3.1.3) shows that attitude of the store is significant and the coefficient is 0.877. As for R square, I can tell that attitude of the store by customers affecting on the intention of revisit by 65%.

4.3.2 ANOVA analysis by demographic information

The ANOVA test allows a comparison of more than two groups at the same time to determine whether a relationship exists between them. The result of the ANOVA formula, the F statistic (also called the F-ratio), allows for the analysis of multiple groups of data to determine the variability between samples and within samples[15].

I make of use one-way ANOVA method. As factors, I use demographic informations. There are 5 types of demographic questions about customers: gender, age, education level, income and marriage status. As dependent variables, I use overall evaluation of service and quality, mean value of attitude and revisit. Because of existing 5 types of demographic questions, I have to test 5 times, and the above mentioned 4 dependent variables be the same for every test.

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[14] regression analysis of attitude to intention of revisit
[15] https://www.investopedia.com/terms/a/anova

Table 4.3.2.1 – ANOVA by gender

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
S23	Between Groups	.048	1	.048	.151	.698
	Within Groups	47.345	148	.320		
	Total	47.393	149			
P3	Between Groups	.012	1	.012	.040	.842
	Within Groups	43.382	148	.293		
	Total	43.393	149			
AM	Between Groups	.158	1	.158	.522	.471
	Within Groups	44.957	148	.304		
	Total	45.115	149			
RM	Between Groups	.394	1	.394	1.100	.296
	Within Groups	52.955	148	.358		
	Total	53.348	149			

If I look at the table (4.3.2.1), there is not significant level around 0.05, thus I understand that overall evaluation of service and product quality, attitude and intention of revisit are not different according to gender.

Table 4.3.2.2 – ANOVA by age

Descriptives

		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean Lower Bound	Upper Bound	Minimum	Maximum
S23	1.0	28	4.607	.4973	.0940	4.414	4.800	4.0	5.0
	2.0	46	4.391	.5765	.0850	4.220	4.563	3.0	5.0
	3.0	33	4.606	.5556	.0967	4.409	4.803	3.0	5.0
	4.0	24	4.625	.4945	.1009	4.416	4.834	4.0	5.0
	5.0	15	4.333	.7237	.1869	3.933	4.734	3.0	5.0
	6.0	4	5.000	.0000	.0000	5.000	5.000	5.0	5.0
	Total	150	4.527	.5640	.0460	4.436	4.618	3.0	5.0

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
S23	Between Groups	2.921	5	.584	1.892	.099
	Within Groups	44.472	144	.309		
	Total	47.393	149			
P3	Between Groups	1.935	5	.387	1.344	.249
	Within Groups	41.459	144	.288		
	Total	43.393	149			
AM	Between Groups	2.145	5	.429	1.438	.214
	Within Groups	42.970	144	.298		
	Total	45.115	149			
RM	Between Groups	2.019	5	.404	1.133	.346
	Within Groups	51.329	144	.356		
	Total	53.348	149			

Table (4.3.2.2) indicates that I have only one marginal significant dependent variance, S23, overall evaluation of service quality. By looking at descriptive table, I can see that mean value in the 6 raw is 5, the highest evaluation. All survey participants at the age of above 60, I have 4 people, evaluated 5, maximum level for service quality of the department store.

Table 4.3.2.3 – ANOVA by education

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
S23	Between Groups	.270	2	.135	.421	.657
	Within Groups	47.124	147	.321		
	Total	47.393	149			
P3	Between Groups	.371	2	.185	.634	.532
	Within Groups	43.022	147	.293		
	Total	43.393	149			
AM	Between Groups	.628	2	.314	1.038	.357
	Within Groups	44.487	147	.303		
	Total	45.115	149			
RM	Between Groups	.113	2	.056	.156	.856
	Within Groups	53.235	147	.362		
	Total	53.348	149			

In the table (4.3.2.3), here is no significant level. It means that high school or less, bachelor and master or above educated participants of the survey evaluated insignificantly the level of service and product quality, attitude and revisit of the store.

Table 4.3.2.4 – ANOVA by income

Descriptives

		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean Lower Bound	95% Confidence Interval for Mean Upper Bound	Minimum	Maximum
P3	1.0	44	4.568	.5455	.0822	4.402	4.734	3.0	5.0
	2.0	68	4.353	.5115	.0620	4.229	4.477	3.0	5.0
	3.0	32	4.531	.5671	.1002	4.327	4.736	3.0	5.0
	4.0	6	4.833	.4082	.1667	4.405	5.262	4.0	5.0
	Total	150	4.473	.5397	.0441	4.386	4.560	3.0	5.0

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
S23	Between Groups	1.386	3	.462	1.466	.226
	Within Groups	46.007	146	.315		
	Total	47.393	149			
P3	Between Groups	2.266	3	.755	2.682	.049
	Within Groups	41.127	146	.282		
	Total	43.393	149			
AM	Between Groups	1.636	3	.545	1.831	.144
	Within Groups	43.479	146	.298		
	Total	45.115	149			
RM	Between Groups	1.371	3	.457	1.284	.282
	Within Groups	51.977	146	.356		
	Total	53.348	149			

According to income level of customers, we have one with α=0.049, significant variance, P3 in the table (4.3.2.4). Comparing the descriptive table of product quality overall evaluation, I assure that customers with the income of $300-$799, have minimum (4,35) mean value of product quality evaluation, and customers with the income of $1600 or more, have maximum (4.83)

mean value of product quality evaluation. As an additional information, in my survey, there are 68 participants with the income of $300-$799, the highest part of 4 types of income level, and only 6 people with the income of $1600 or more, the lowest part.

Table 4.3.2.5 – ANOVA by marriage status

Descriptives

		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
						Lower Bound	Upper Bound		
P3	1.0	36	4.667	.4781	.0797	4.505	4.828	4.0	5.0
	2.0	105	4.419	.5148	.0502	4.319	4.519	3.0	5.0
	3.0	9	4.333	.8660	.2887	3.668	4.999	3.0	5.0
	Total	150	4.473	.5397	.0441	4.386	4.560	3.0	5.0

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
S23	Between Groups	.193	2	.096	.300	.741
	Within Groups	47.201	147	.321		
	Total	47.393	149			
P3	Between Groups	1.831	2	.916	3.239	.042
	Within Groups	41.562	147	.283		
	Total	43.393	149			
AM	Between Groups	1.359	2	.679	2.282	.106
	Within Groups	43.756	147	.298		
	Total	45.115	149			
RM	Between Groups	1.536	2	.768	2.180	.117
	Within Groups	51.812	147	.352		
	Total	53.348	149			

I made 3 types of marriage status: single; married; and other type in the survey list.

Similar to ANOVA test by income above, here in the table (4.3.2.5) also P3 variance has significance with the level 0.42. So, comparing descriptive table of product quality, I know that there are 36 single participants; the highest volume, 105 participants of married; and 9 other type of participants. And their mean values of evaluation for product quality are 4,66/4,41/4,33

respectively. Here I determine that maximum evaluation of product quality made by single people.

4.4 Hypothesis Testing

I made 3 hypothesis. The first one is in the table (4.3.1.1). Considering t-value and significant level, I know that 2 sections of service quality have important impact on attitude. Hypothesis 1 is partially accepted. The next two hypotheses are fully accepted.

Second, H2, the product quality affects the attitude of the store.

The last, H3, the attitude affects the intention of revisit.

CHAPTER 5 CONCLUSION

5.1 Summary and managerial implication

To conclude, the results of this study indicate factors that influence the attitude of the department store from the two variables tested, service quality and product quality, both influence the attitude of the store positively. However, attitude itself makes a huge impact on the intention of revisit. This study provides information that the higher the service quality and product quality producing by the department store, the more positive attitude appears towards the department store by customers. And also, the more positive attitude appears towards the department store by customers, the higher probability to come back again to shop to the department store, this means that intention of revisit is the dependent on the attitude.

In my case, it derives from the analyzed data that there is no much difference on the male and female evaluations of four variables: service and product quality, attitude and revisit. When comparing by age, there is an interesting occurrence that all 60 and more aged participants liked the overall service quality completely. Because, they consist of the smallest part from other type of age, it is considered marginally significant. In the data collected by survey, there is no significant variable evaluated by education. This means education level does not solve to make a positive attitude for service quality or product quality. From non-educated to well-educated everybody may like the service and may visit again to buy product or service from the department store. Another valuable information from this analysis is in income section. It is noticeable that people who has average income, smaller evaluation of product quality comparing to others, and who has the highest income, their evaluation also is the highest. Finally, according to marriage status, nevertheless there is the highest percentage of married people, single participants evaluated the product quality higher.

5.2 Limitations and suggestions for future study

This observation and analysis illustrates hypotheses that service quality and product quality affect the attitude, similarly, attitude affects the intention of revisit. But, there is some limitation too.

One of the factors is the price of service or product. Good service and fresh new products cost higher. Once the customer is happy with the service quality or product quality they buying and have a positive attitude towards the department store. however, their income is low, then they cannot revisit the store until they earn more income.

Another important limitation might be the location of the department store. I bring possible examples in here.

If the department store is located in villages where there are no many local residents, intention of revisit to the department store possibly be small amount. Because neighbor villages also like the department store, but their distance to the department store does not let them revisit often.

 If the department store is built in seasonal places, like next to universities in the capital city or resting places on holiday, revisit be more when the season is on. But, the sales volume and revisit decreases drastically, nonetheless, the level of service quality and product quality satisfy the customers, when the season is off.

I made a conclusion of my conditions by observing in one of the local department stores. For more concrete and exact informations, there is a need to examine some other variables and more specific data to analyze.

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APPENDIX

SURVEY

Dear Respondents,

I am Umarov Abbos. As my part of my GMBA research thesis at University of Ulsan, South Korea. I am conducting a survey that investigates "the effect of service and product quality on the attitude and intention of revisit".

I sincerely invite you to take the time to complete all questions. Your help is essential for my Master thesis which brings me close to graduation. I deeply appreciate your kind cooperation!

* Your answers will be used for this research only and be kept confidential.

* Advisor: Professor Doyle Kim.

o   Answer all questions for the department store you visit mostly.

o   Just tick √ on the number that reflects your personal opinion.

Part 1. SERVICE QUALITY

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1. The department store has up-to-date equipment.	1	2	3	4	5
2. The department store's physical facilities are visually appealing.	1	2	3	4	5
3. The department store's employees are well dressed and appear neat.	1	2	3	4	5
4. The appearance of the physical facilities of the department store is in keeping with the type of services provided.	1	2	3	4	5
5. When the department store promises to do something by a certain time, it does so.	1	2	3	4	5
6. When you have problems, the department store is sympathetic and reassuring.	1	2	3	4	5
7. The department store is dependable.	1	2	3	4	5
8. The department store provides its services at the time it promises to do so.	1	2	3	4	5
9. The department store keeps its records accurately.	1	2	3	4	5
10. The department store tells customers exactly when services will be performed.	1	2	3	4	5
11. You receive prompt service from the department store's employees	1	2	3	4	5

	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
12. Employees of the department store are always willing to help customers.	1	2	3	4	5
13. Employees of the department store are not too busy to respond to customer requests promptly.	1	2	3	4	5
14. You can trust employees of the department store.	1	2	3	4	5
15. You feel safe in your transactions with the department store's employees	1	2	3	4	5
16. Employees of The department store are polite.	1	2	3	4	5
17. Employees get adequate support from The department store to do their jobs well.	1	2	3	4	5
18. The department store gives you individual attention.	1	2	3	4	5
19. Employees of the department store give personal attention.	1	2	3	4	5
20. Employees of the department store know what your needs are	1	2	3	4	5
21. The department store has your best interests at heart.	1	2	3	4	5
22. The department store has operating hours convenient to all their customers.	1	2	3	4	5
23. I am satisfied with overall service quality of the department store.	1	2	3	4	5

PART 2. P RODUCT QUALITY

:	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1. The product quality of the department store is good.	1	2	3	4	5
2. The product quality of the department store is good.	1	2	3	4	5
3. I am satisfied with the overall product quality of the department store.	1	2	3	4	5

Part 3. Store attitude and revisit intention

:	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
1. The department store is good.	1	2	3	4	5
2. I like the department store..	1	2	3	4	5
3. I will revisit the department store	1	2	3	4	5
4. I will buy the product in the department store.	1	2	3	4	5

1. What is your gender?

    1. Male

    2. Female

2. Your age?

    1. Less than 20

    2. 21 - 30

    3. 31 - 40

    4. 41 - 50

    5. 51 - 60

    6. Above 60

3. What is the highest level of education you have completed?

    1. High school or less

    2. Bachelor (2 years or 4 years)

    3. Master or above

4. What is your total monthly personal income?

    1. Less than $300

    2. $300- $799

    3. $800- $1599

    4. $1600 or more.

5. What is your marital status?

    1. Single

    2. Married

    3. Others.

Thank you for taking the time to complete this questionnaire.