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MEASURING SERVICE QUALITY: A CASE STUDY ON UNITED MALAYAN BANKING CORPORATION BERHAD

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ABSTRACT

The main focus of the study is to apply the SERVQUAL instrument developed by Parasuraman et al. (1988a) to measure service quality in a local organisation in the banking services. The study attempts to measure the unweighted and weighted SERVQUAL scores, to identify the dimensions of service quality and to identify the relative importance of the dimensions in influencing the overall service quality of United Malayan Banking Corporation Berhad (UMBC). Demographic variables were also examined to find out their influence on the SERVQUAL scores.

The study identified four dimensions of service quality, namely reliability, responsiveness, assurance and empathy, instead of the five dimensions identified in the study by Parasuraman et al. (1988a). However, the empathy dimension was found to be inadequately explained by the items extracted. Tangibles, the fifth dimension of service quality according to Parasuraman et al. (1988a), was not extracted as all the items under the tangibles were loaded on to the reliability dimension. Reliability, assurance, responsiveness, were found to be the most important predictors of service quality. Demographic variables such as age, educational level, occupation and income level were found to have significant influence on the SERVQUAL scores. The study found that UMBC's customers were slightly satisfied with the quality of service received.

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