

## STUDENTS' SATISFACTION ON THE QUALITY OF SERVICE UNIVERSITY PARCEL CENTRE (UPC): A FOCUS ON UUM

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**Abstract.** The purpose of this paper is to measure the level of students' satisfaction on University Parcel Centre (UPC) among University Utara Malaysia (UUM) students. The University Parcel Centre (UPC) play pivotal role in providing fundamental services to classify, arrange and store the students' parcel which arrive from the third-party couriers. It also recognizes as a one stop parcel hub center, so that students can collect their respective parcel by themselves at UPC. This study has adopted SERVQUAL model as the research framework. The five dimensions of this model which are tangibility, assurance, reliability, responsiveness and empathy were used to determine its effect on students' satisfaction on using the UPC services. This study adopted quantitative research design. A total of 370 respondents participated in the survey from which all of them were taken from around 20,000 UUM students living in campus. The Cronbach's Alpha score was 0.813. The findings showed that all the factors tested (tangible, reliability, responsiveness and empathy) were significant with positive relationship. Only one factor (assurance) is not significant. Strategies and dynamic initiatives should be driven by these factors to improve UPC service quality.

**Keywords:** *University Parcel Centre (UPC), tangible, reliability, responsiveness, empathy, assurance*

### Introduction

In highly competitive market-oriented business environment, customer satisfaction plays a crucial role in winning the market share. The needs and wants of the customer are not rigid, it will always transform from time to time to influence on the current trend (Ilieska, 2013). Postal and courier services is a primary activity to delivery of parcels, packages, documents, letters, and printed materials (Noordin et al., 2012). Generally, the courier services can divide in two activities, which are collection parcel and delivery parcel. In the past, the courier services consist of physical communication and transportation of mail and parcels delivery. Nowadays, courier services are more focus on online communication and information exchange pertaining to the details of the delivery.

The parcel collection service in most universities and higher institutions in Malaysia are being managed by UniStorage through strategic cooperation. UniStorage was established in 2009 as an Entrepreneurship Techno Research at the School of Computer Science, Universiti Sains Malaysia with collaboration between post and courier sector players. Local universities and higher institutions that had cooperated with UniStorage are:- Student Entrepreneurship Center (EPIC), The Business Excellent Institute (IBE), UMP Holdings Services (UMPH), Koperasi UiTM Selangor Berhad (Tunas Mekar), Koperasi USM Berhad, Koperasi UMT Berhad, Koperasi UniKL MIAT, Koperasi USIM Berhad, SAC UUM, Koperasi Siswa USM Kelantan Berhd, Koperasi Siswa IIUM Berhd and Koperasi Siswa UiTM Perlis Berhad (UniStorage Official Portal, 2019).

University Parcel Centre (UPC) at University Utara Malaysia (UUM) is to ease students for their courier or parcel collection. UPC can receive variety kind of packages from the courier industry for instance FedEx, DHL, Skynet, and City-Link Express, Pos Malaysia (UniStorage Official Portal, 2019). UPC presently focus on the postal and courier receiving services that can be categorized as windows collection and community mailbox (UniStorage Official Portal, 2019). Student Accommodation Centre (SAC), University Utara Malaysia (UUM) has implement UPC recognize as “one stop parcel centre”. University Parcel Centre (UPC) was officially launched by Deputy Vice-Chancellor of Student Affairs and Alumni, University Utara Malaysia on 27 February 2019. UniStorage-UUM with the name of University Parcel Centre (UPC), located at Inasis Tradewinds in main campus while another branch located at Bukit Kachi Mall outside UUM main campus. UPC play a pivotal role in UUM to collect, secure and collection student parcel correctly UPC is the only one courier hub easily and rapidly access by students to collect their parcel (UniStorage Official Portal, 2019).

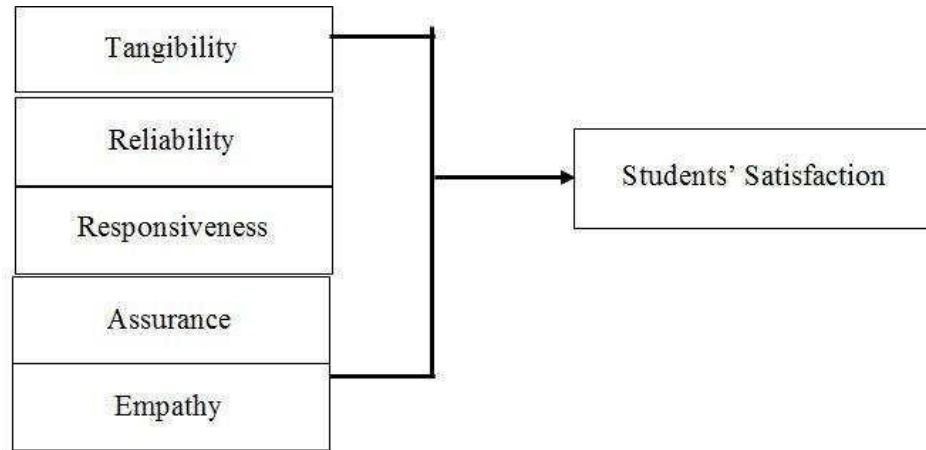
There were some problems in UPC which directly affect customers' dissatisfaction. They are for instance waiting time, price, complicated collection procedure, location and poor security. Customers satisfaction will generate high productivity for company (Wang et al., 2019). UPC, customers argue about the waiting time for receiving of the parcel or goods are not appropriate. Besides that, they have to wait long queue at the counter to collect parcel. As a result, it can irritate and frustrate the customers (Costa, 2017). This issue will relate to the responsiveness dimension in SERVQUAL. Customers always aware with the price or charge either it is fit with the services to fulfil their satisfaction or not (Duy and Hoang, 2017). With reference to the price factors charge by UPC, customers' complaints about the charges that imposed to them during pick up the parcel at the centre. The charges of picking up the parcel from UPC were based on the weight and type of the parcel. Moreover, the charges also vary for the register member and non-register member to collect their parcel. The two categories price charged for the collection of parcel was also based on the type of parcel while UPC also charge late collection penalty to the customers (UniStorage Official Portal, 2019). Therefore, this problem highlights the empathy dimension in SERVQUAL.

Basically, organization should be governed by efficient policy and procedures both for the workers and also their customers. Furthermore, these policy and procedures must be executed and enforced consistently (Fay, 2010). However, in UPC many of their customers are not following the guidelines that the centre provided because the procedure for collect or pick up the parcels are frequently changing. Thus issue pertaining to the assurance dimension in SERVQUAL. Initially, the pickup point for the parcels and mails was at the UUM mall. Then UPC was established at several student accommodation centres to provide better service to students. Location is a strategic and convenient for the customers to collect their parcel (Zenezini et al., 2018). Thus location relate to the tangible dimension in SERVQUAL. In addition, lacking of security in storing of parcels and handling of customers information will affect the reliability dimension in SERVQUAL.

### *Literature review*

According to the Parasuraman et al., (1988), service quality or SERVQUAL is generally use to identify the quality factors in a product and service. SERVQUAL function as the service quality model to measure the service quality compare to customer's perception before encompass to the customer's expectation (Levesque and

McDougall, 1996). This research has adopted SERVQUAL model to measure the service quality with the belief that perceived service quality is the output of the comparison between the expected service and the actual delivered service. There are five dimension which are reliability, responsiveness, empathy, assurance and tangible (Parasuraman et al., 1988) (Figure 1).



**Figure 1.** Research framework.

Satisfaction can be defined as the overall attitude of the customers that react to the service provider (Levesque and McDougall, 1996). Satisfaction also is fulfilment response from the customers that had used a products or services. Customers' satisfaction already recognized as the main concept in marketing and it is very important in any types of businesses (Chan et al., 2003). The level of customers' satisfaction will increase if services that they received achieve their needs and expectations (Gerpott et al., 2001). Service quality is the main component in accomplish customers satisfaction successfully (Hellier et al., 2003). It is the main focus of SERVQUAL. Tangibility can be defined as the physical equipment's, facilities, technology and communication materials. It shows to the customers on the service quality of the company and their image. In fact, it is important for the company to invest more to set up a good physical facility to their customers (Ghotbabadi et al., 2015). In addition, if tangible factor improved, it can lead to the increasing of customers' satisfaction level. Tangible satisfaction demonstrates fulfillment of basic requirements of the infrastructure (Yavas et al., 2004). Thus tangibility is one of the dimensions in SERVQUAL.

Assurance dimension refer to the knowledge and mutual understanding capability to attract customer confidence. Assurance includes the staff characteristics which include moral values, politeness and good communication skills. The best attitude and behavior of the staff influence the customer satisfaction (Neupane and Devkota, 2017). The assurance dimension integrates between staff and customer ability to communicate effectively so it will influence the confidence on the parcel industry (Yee and Daud, 2011). Thus assurance is one of the dimensions in SERVQUAL. Reliability refers to the capability and commitment of the company to fulfill its services to the customers. Example of reliability is the customers trust towards service provided, precise records and usefulness of the information given. It shows dimension of reliability is very important (Karatepe et al., 2005). Reliability also refers to the skills of the employee in

delivering their services that affect the consumer trustfulness. Thus reliability is one of the dimensions in SERVQUAL.

Responsiveness is the capability to assist the customer without any prevalent issue (Parasuraman et al., 1988). Customers that keep on waiting in long queue will generate negative perception of the service quality. Punctuality plays a vital role in parcel service that directly affects customers' satisfaction. According to Parasuraman et al. (1988) empathy defined as an additional caring and attention that contribute to the customers' satisfaction. Empathy includes convenient and feeling, an endeavor compassionates the consumer needs and wants (Rahim and Nasir, 2011). Empathy dimension target on serving additional consideration and caring by providing services to different customers with different attributes (Yee and Daud, 2011). Thus empathy is one of the dimensions in SERVQUAL.

## Materials and Methods

Quantitative research method applied in this study. In this study, the descriptive design to test the hypothesis based on the element that influence the level of consumer satisfaction of using University Parcel Centre (UPC) among UUM students. Meantime, descriptive design coordinates to determine the factor of the consumer satisfaction in every prospect to fulfill the UUM student's requirement (Bryman, 2012). Pertaining of this study, correlation type of investigation was adopted to test the hypothesis. The unit of analysis will be individual students who used the UPS service. Non-probability sampling design and convenient sampling procedure have been adopted. According to Krecjie and Morgan (1970) sampling table if the population size is more than 20,000 the sample size will be 370 of respondents. Data collection method is through questionnaire development using 'Google' form and distributed to the respondents via students' group 'WhatsApp', 'Telegram', 'Facebook' and 'Messenger'.

The following hypotheses are proposed; (1) H1: There is a significant relationship between the tangibility and consumer satisfaction of using University Parcel Centre (UPC) services among UUM students; (2) H2: There is a significant relationship between the assurance and consumer satisfaction of using University Parcel Centre (UPC) services among UUM students; (3) H3: There is a significant relationship between the reliability and consumer satisfaction of using University Parcel Centre (UPC) services among UUM students; (4) H4: There is a significant relationship between the responsiveness and consumer satisfaction of using University Parcel Centre (UPC) services among UUM students; and (5) H5: There is a significant relationship between the empathy and consumer satisfaction of using University Parcel Centre (UPC) services among UUM students.

## Results and Discussion

*Table 1* exhibit the value of the Cronbach's alpha for the 6 variables. According to the Cronbaeh test, the alpha value will be acceptable if more than 0.7 while it will be considered as good if the value is between the 0.8 and 0.9. Hence, this study found that the highest Cronbach's alpha value is 0.883 and lowest is 0.705. Therefore, instruments used for measuring variables are reliable and consistent.

*Table 1. Crnbachs' alpha scores for variables.*

Variables	No. of items	Item deleted	Cronbachs' Apla
Customer satisfaction (SAT)	5		.883
Tangibility (TAN)	4	-	.709
Assurance (ASR)	3	-	.707
Reliability (REL)	4		.842
Responsiveness (RES)	4	-	.711
Empathy (EMP)	4	-	.705

Table 2 exhibit the correlations analysis results of independent variables (tangible, assurance, reliability, responsiveness and empathy), dependent variable (consumer satisfaction). The table shows that there is a significant relationship with value 0.000, which is less than 0.01 for tangibility, reliability, responsiveness and empathy. Meanwhile, assurance has no significant relationship to the consumer satisfaction with negative correlation ( $r = -0.104$ ,  $p > 0.05$ ). Thus from the findings; H1, H3, H4, HS were accepted and H2 was rejected. Therefore tangible, reliability, responsiveness and empathy have significant influence on customer satisfaction of UPC services.

**Table 2.** Pearson correlation.

Consumer Satisfaction	Tangibility	Assurance	Reliability	Responsiveness	Empathy	Consumer Satisfaction
Pearson Correlation	.486**	-.104	.266**	.197**	.326**	1
Sig. (2-tailed)	0.000	0.065	0.000	0.000	0.000	
N	317	317	317	317	317	317

\* means correlation is significant at the 0.05 level (2-tailed).

\*\* means correlation is significant at the 0.01 level (2-tailed).

## Conclusion

The management of UPC must have innovative ideas to segregate the parcel easily and rapidly. UPC management teams need to identify the factors of the dissatisfaction and satisfaction, so it will ease them to implement appropriate step to increase efficiency of parcel collection process. Findings have showed that tangibility, reliability, responsiveness, empathy is important factors for the UPC management team to deliberately ponder to increase their customer satisfaction. Strategies and dynamic initiatives should be driven by these factors to improve UPC service quality.

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## Conflict of interest

The authors confirmed there is no conflict of interest with any parties or organizations involved in this research study.

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