



SERVICE QUALITY PECULIARITIES AND CUSTOMER SATISFACTION OF AGRICULTURAL MERCHANTS IN RIVERS STATE OF NIGERIA

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ABSTRACT: *The study investigated the association between service quality peculiarities and customer satisfaction of agricultural merchants in Rivers State. The study adopted the descriptive method for the collection of vital information from sample customers of agricultural merchants in Port Harcourt, Rivers State of Nigeria. The survey design was also, adopted in this study as a means of gathering information from a group of people under study. The study adopted a simple random sampling technique to choose 125 customers of Agricultural Merchants in Rivers State. Primary data were collected through the use of the questionnaire administered on 125 customers of Agricultural Merchants in Rivers State, selected through a simple random sampling technique. However, out of 125 copies of the questionnaire were returned, the usable copies numbered 100 (80%). On the other hand, 20% (25 copies) of the questionnaire was not returned. The rate of usage as considered evidence has shown that 100 returned and usable copies represent 80% of the total copies of the questionnaire produced and distributed. Hence, these 100 copies were used for analysis. Pearson's Product Moment Coefficient technique was used to test the hypotheses while, the ANOVA technique was used to test for the difference in mean between service quality peculiarities and customer satisfaction. Results revealed a significant relationship between service quality peculiarities and customer satisfaction of agricultural merchants in Rivers State of Nigeria. The study recommends that Nigerian Agricultural merchants should emphasize more on service quality peculiarities that relate maximally with customer loyalty. The study suggests that further studies be carried out on other industries other than the Agricultural Industry to verify the results of this study.*

KEYWORDS: Agricultural Merchants, Customer Satisfaction, Service Quality Peculiarities.

INTRODUCTION

The agricultural merchants in Nigeria have gone through various stages of transformation in service delivery. Traditionally the agricultural merchants have been predominantly occupied in just cash crops related activities. However, in the wake of competition and technological advancements, agricultural merchants in Nigeria have been more innovative, crafting new ways of reaching out to prospective customers and retaining more customers to their base in their existing business operations. The current business environment is becoming competitive and challenging than before, and with multidimensional challenges and demand of globalization, the organizations are forced to reengineer their products and systems to improve service quality and remain competitive (Yasin, Alavi, Kunt & Zimmerer, 2004; Rodie & Martin, 2001). Various strategies have therefore, been adopted by agricultural merchants to enhance service quality and increase their share of the market in recent years.



Outstandingly, the intangible nature of services makes it complicated for firms to analyze how customers identify and estimate the desired upshot of service quality (Zeithaml, 1981). Seeing that customers weigh up their level of satisfaction by trying out the service quality, satisfaction with services is linked to conformation or disconfirmation of expectations (Smith & Houston 1982). The question of premier precedence in the present day engrosses appreciating the vigor of service quality on profit and supplementary financial outcomes of the business (Zeithaml, Berry, & Parasuraman, 1988). As firms are progressively more becoming customer focused and driven by customer demands, it is becoming likewise demanding to attain customer satisfaction and retain loyal customers. Accordingly, Oliver (2009) suggests that both service quality and customer satisfaction are two discrete but interrelated constructs. It is predominantly true for the service firms where amplified level of customer satisfaction leads to profit maximization.

For this reason, organizations need to build up a setting contained by the organization that is more inclined in the direction of convening service quality standards according to customer requirements. Since several companies dynamically adopt various types of customer satisfaction measurement in developing, monitoring, and/or evaluating product and service offerings, including evaluating, motivating, and/or compensating employees (Qadeer, 2013), accomplishments possibly will be realized only if the internal setting of businesses is physically powerful as much as necessary to convene the challenges of external necessities.

Conveying lofty service quality produces computable benefits in profit, cost savings, and market share. Consequently, a consideration of the nature of service quality and how it is accomplished in firms has become precedence for scholarly inquiries (Zeithaml *et al.*, 1988). Some scholarly inquires has been carried out on service quality peculiarities and customer satisfaction. For instance, Nindiani, Hamsel and Purba (2017) analyzed customer satisfaction on product and service quality of a bakery situated in Bekasi. Xhema and Metin (2017) investigated the impact of product/service quality and corporate image on customer loyalty, Qadeer (2013) examined the impact of service quality on customer satisfaction by using qualitative research method; Enyonam (2011) considered the effect of customer service on customer satisfaction and for that matter, customer loyalty by means of a case study involving Fidelity bank, Adum Branch, Kumasi. None of these studies investigated agricultural merchants. This present study therefore, analyzes the association between service quality peculiarities and customer satisfaction of agricultural merchants in Rivers State of Nigeria. The specific objective of the study is to: Determine the extent to service quality peculiarities associates with customer satisfaction of agricultural merchants in Rivers State of Nigeria. Consequently, the research question is:

RQ: To what extent can service quality peculiarities impact on customer satisfaction?

Based on the above structured question, the following hypotheses were formulated:

HO₁: There is no significant relationship between service quality peculiarities and repurchase intention of agricultural merchants in Rivers State.

HO₂: There is no significant relationship between service quality peculiarities and customer loyalty of agricultural merchants in Rivers State.



LITERATURE REVIEW

Service Quality Peculiarities

The concept of service quality is most pondered theme in service literatures owing to lack of harmony (Gupta & Chen, 1995). However, several definitions for the term Quality exist; for instance, Zeithaml (1988) defined quality largely as dominance or distinction. Service quality is an overall construct of discernments regarding a firm's service provision; satisfaction is based on an individual service encounter (Boulding, Kalra, Staelin, & Zeithaml, 1993). As noted by Voss, Roth, Rosenzweig, Blackmon, and Chase (2004), service quality is a distinct construct from customer satisfaction.

Different authors have defined service quality models relevant to an assortment of industries. For example, Murfin *et al.*, (1995) developed a model for medical services; Soteriou and Stavrinides, (1997) built up service quality model for bank; Zhu, Wymer and Chen (2002) and Seth, Momaya and Gupta (2008) proposed the assemblage of technology-based service quality models. To better comprehend the service quality, it is pertinent to consider three foremost attributes of services: Invisible, consistent and diverse. For the reason that services are nonphysical it is inflexible to settle on, documented, compute or to analyze the service preceding sales in order to shield the quality on its delivery (Zeithaml *et al.*, 1988). In addition, it is unspecified that owing to heterogeneity services show a discrepancy from person to person, so performance shows a discrepancy at diverse levels.

Preceding investigations suggests that not only is quality not perceived as a one-dimensional concept by customer, but also there is no conformity about how to access service quality (Cornin & Taylor, 1992). In literature, the issue on how the service quality should be calculated has been conferred by (Brady & Cronin, 2001; Teas, 1993). Service quality possesses five quality attributes, which are: Empathy, Responsiveness, Tangibles, Assurance and Reliability (Gupta & Chen, 1995, Ooi, Lin, Tan & Chong, 2011).

Customer Satisfaction

Customer satisfaction is generally conceptualized as a behavioral judgment about purchase (Yi, 1990). It can belong to an individual transaction or to a string of purchases over time (Fournier & Mick, 1999), even though much of precedent investigations on customer satisfaction have taken the transaction specific perspective. According to Maxham (2001) customer satisfaction is an emotive evaluation of the experience connected with service performance. Bitner *et al.* (1990) defined customer satisfaction as a customer's evaluation on a specific transaction. Customer satisfaction is therefore, a snowballing evaluation, including a linear mishmash of satisfying experiences allied with definite service encounters of a specific firm.

The concept of customer satisfaction has drawn the consideration of practitioners and academics from previous several years based on the actuality that customers are the principal source of profit for most companies functioning in a business setting (Tam, 2004). Customer satisfaction smoothes the progress of the measure of how service and products supplied by firms match customer expectation. This craving to satisfy the customer allows the supply chain members to mount up buffers' stocks (Ogonu, Nwokah & Ikegwuru, 2016), and customer satisfaction is recon as a key performance indicator in business expressions. Classically, service firms keep an eye on and observe the satisfaction level of customers on a



continuing basis by means of dissimilar scales akin to likert, to calculate the level of customer satisfaction which is essentially based on service encounter experienced on their most recent visit (Peterson & Wilson, 1992).

Nindiani *et al.* (2017) explored customer satisfaction on product and service quality of a bakery positioned in Bekasi, by means of Importance-Performance Analysis (IPA) to establish the status of indicators attached to product and service quality, to make available contributions to management in strategic decision makings. The outcome designates that the precedence of improvement is the taste indicator for product quality. However, courtesy indicator is the central apprehension for service quality that take up position in Quadrant A, and so, the bakery should draw attention to those indicators as enhancement priorities.

Xhema and Metin (2017) considered the impact of product/service quality and corporate image on customer loyalty, and gathered primary data through questionnaire dispersed to a sample of 100 selected firms. The study's statistical analysis was based on numerical data, correlation and regression anchored by the statistical package for social sciences (SPSS). The findings illustrated that service/product quality and corporate image have a positive impact on customer loyalty. Similarly, Harcourt and Didia (2020) examined the relationship between product quality and customer satisfaction of fast-food firms. Their findings established that product performance, product reliability and product durability significantly predict customers' satisfaction.

Qadeer (2013) analyzed the impact of service quality on customer satisfaction by using qualitative research method. The selection of primary studies selection was accomplished by means of interviews conducted in a bank as professional service industry. The study applied qualitative data analyses techniques to put up analyses and portray conclusions. Findings divulge that quality of service does affect the customer satisfaction up to some definite level as both concepts are dissimilar and the relationship established between them is casual. Furthermore, the quality of service has significant contribution towards customer satisfaction since it is affected by a range of factors such as human interaction, physical environment, value, price, performance etc.

Enyonam (2011) investigated the effect of customer service on customer satisfaction and for that matter, customer loyalty by means of a case study involving Fidelity bank, Adum Branch, Kumasi. Questionnaires were used to obtain information from customers and the staff of the bank. It was revealed that, Adum Branch of Fidelity bank provides considerable level of customer service; however, these are just seen as satisfying. Hurdles in terms of large numbers of customers with few tellers, problems with the internet banking, and some managerial decisions were noticed to affect customer service provision in the bank.

METHODOLOGY

The survey design was adopted in this study as a means of gathering information from a group of people under study. The study adopted a simple random sampling technique to choose 125 customers of Agricultural Merchants in Rivers State. Questionnaire was distributed to these 125 customers of Agricultural Merchants personally. However, out of the 125 copies of questionnaire returned, the usable copies numbered 100 (80%). On the other hand, 20% (25 copies) of the questionnaire was not returned. The rate of usage as considered



evidence has shown that 100 returned and usable copies represent 80% of the total copies of the questionnaire produced and distributed. Hence, these 100 copies were used for the analysis. The Pearson's product moment coefficient technique was used to test the hypothesis while, the ANOVA technique was used to test for the difference in mean between service quality peculiarities and customer satisfaction.

ANALYSIS

Demographic Analysis of Respondents

Table 1: Frequencies showing Gender of Respondents

	Frequency		Percent	Valid Percent	Cumulative percent
Valid	Male	65	65.0	65.0	65.0
	Female	35	35.0	35.0	100.0
	Total	100	100	100	

Source: SPSS 22.0 Window output (based on 2020 field survey data).

As shown in Table 1, 65 males representing 65.0% of total respondents responded to the survey instrument, while 35 females representing 35.0% of the respondents participated in the survey.

Table 2: Frequencies showing Age of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Below 30	19	19.0	19.0	19.0
30-40	36	36.0	36.0	55.0
Above 40	45	45.0	45.0	100.0
Total	100	100.0	100.0	

Source: SPSS 22.0 Window output (based on 2020 field survey data).

Table 2, Shows ages of the respondents. Respondents fall within three age brackets, Below 30, 30-40, and above 40. 45 of the respondents fall within the age of above 40, accounting for the highest number of respondents. Respondents who fall within the ages 30-40 are 36 and accounts for the second highest response rate. The least responses came from 19 respondents within the ages of below 30.

Table 3: Frequencies showing Marital Status of Respondents

	Frequency	Percent	Valid Percent	Cumulative percent
Valid Married	53	53.0	53.0	53.0
Single	34	34.0	34.0	87.0
Divorced	13	13.0	13.0	100
TOTAL	1.00	100.0	100.0	

Source: SPSS 22.0 Window output (based on 2020 field survey data).



The participants in this study fall under three marital statuses. Table 4.4 shows that the three categories of marital status and the respondents there in includes 53 married respondents (53.0%), 34 single (34.0%) and 13 divorced (13.0%).

Table 4: Frequencies showing Educational Qualifications of Respondents

		Frequency	Percent	Valid Percent	Cumulative percent
Valid	FSLC	14	14.0	14.0	14.0
	SSCE	44	44.0	44.0	58.0
	First degree	31	31.0	31.0	89
	PGD/Masters	11	11.0	11.0	100.0
	Total	100	100.0	100.0	

Source: SPSS 22.0 Window output (based on 2020 field survey data).

The participants in this study fall under four categories of educational backgrounds. Table 4.2 reveals that the four categories of educational background and the respondents there includes 14 First School Leaving Certificate holders (14.0%), 44 Senior Secondary School Certificate holders (44.0%), 31 First degree holders (31.0%), and 11 PGD/Masters degree holders (11.0%).

Analysis of Research Question

Earlier in this study, the researcher sought to ascertain the effect of the elements of service quality on the customer satisfaction of agricultural merchants in Rivers State. The simple linear regression was applied to the research question and the decision taken depended on the P Value obtained. Where the P value is more than 0.05, a significant effect exists between the variables. Where the P Value is less than 0.05, a significant effect does not exist between variables.

Table 5: Impact of Service Quality Peculiarities on Customer Satisfaction.

Model Summary

Model	R	R square	.Square	Adjusted R	Std error of R	df1	df2	Sig. F
				the estimate	Change			Change
1	.681 ^a	.464	.459	2.391	.464	1	99	.000

Source: SPSS 22.0 window output (based on 2020 field survey data).

In order to establish the statistical significance of the independent variable on the dependent variable (Customer Satisfaction), regression analysis was employed to show the coefficient of determination also called R square as .681. This implies that the combined effect of the predictor variable (Service quality peculiarities) explains 68.1% of the variables in customer satisfaction of agricultural merchants in Rivers State. The correlation coefficient of .464



indicates that the predictor variable has a strong and positive correlation with customer satisfaction.

Test of Hypothesis

The Pearson's product moment coefficient technique was used to test the hypotheses while, the ANOVA technique was used to test for the difference in mean on responses on service quality peculiarities and customer satisfactions.

Association between Service Quality Peculiarities and Repurchase Intentions

Table 6: Relationship between Service Quality Peculiarities and Repurchase Intentions (N=100).

	Service Quality Peculiarities	Repurchase Intentions
Service Quality Peculiarities	1	.8988
	Sig. (2-tailed)	.0000
	N	100
Repurchase Intention	Pearson's correlation	.8988
	Sig. (2-tailed)	.0000
	N	100

**** Correlation is significant at 0.01 level (2-tailed).**

Table 6 shows that the correlation coefficient between service quality peculiarities and repurchase intention is $r=0.89$ implying there is a very strong positive correlation. This implies that an increase in service quality peculiarities has significant association with repurchase intention. The study also employed ANOVA to test for the difference in mean between service quality peculiarities and repurchase intention. The results were presented in Table 7.

Table 7: One-way ANOVA for the difference in mean between Service Quality Peculiarities and Repurchase Intention (N=100).

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	653335.73606	1	65335.72605	1278.48183	.0000
Within Groups	1533, 07394	99	511.02465		
Total	6548687999	100			

a. dependent variable: Repurchase Intention

b. Predictor: Service Quality Peculiarities

Table 7 shows that there is difference in mean between service quality peculiarities and repurchase intention $F(dfB,dfw) = F(210,1) = 1278.48183$, $p < 0.05$. Significant value is 0.01, $r(1,159)$. This agrees with the correlation result in table 6.



Association between Service Quality Peculiarities and Customer Loyalty

Table 8: Relationship between Service Quality Peculiarities and Customer Loyalty (N=100).

	Service Quality Peculiarities	Customer Loyalty
Service Quality Peculiarities	1	.9021
Sig. (2-tailed)		.0002
N	100	100
Customer Loyalty	Pearson's correlation	.9021
	Sig. (2-tailed)	.0002
	N	100

** Correlation is significant at 0.01 level (2-tailed).

Table 8 shows that the correlation coefficient between service quality peculiarities and customer loyalty is $r=0.90$ implying there is a very strong positive correlation. This implies that an increase in service quality peculiarities has significant effect on customer loyalty. The study also employed ANOVA to test for the difference in mean between service quality peculiarities and customer loyalty. The results were presented in Table 9.

Table 9: One way ANOVA for the difference in mean between Service Quality Peculiarities and Customer Loyalty (N=100).

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	288911.97809	1	288911.97809	13.10551	.0002
With in Groups	661335.22191	99	22045.07397		
Total	355047.1999	100			

a. dependent variable: Customer loyalty

b. Predictor: Service quality peculiarities

Table 9 shows that there is difference in mean between service quality peculiarities and customer loyalty $F(dfB,dfw) = F(295,1) = 13.10551$, $p < 0.05$. Significant value is 0.01, $r(1,159)$. This agrees with the correlation result in table 8.

DISCUSSION OF FINDINGS

The study findings established that service quality peculiarities enhance customer satisfaction. In addition, the study revealed that service quality peculiarities are critical in enhancing customer satisfaction of agricultural merchants in Rivers State of Nigeria. Thus, the results of the statistical analysis indicate that service quality peculiarities significantly associate with repurchase intentions and customer loyalty of agricultural merchants in Rivers State of Nigeria. In conjunction with the study's findings, Qadeer (2013) found that service



quality has significant contribution towards customer satisfaction since it is affected by a range of factors such as human interaction, physical environment, value, price and performance. Also, in line with the study's findings, is the findings of Xhema and Metin (2017) that substantiated that service/product quality and corporate image have a positive impact on customer loyalty.

CONCLUSION AND RECOMMENDATIONS

The results indicate that service quality peculiarities have considerable relationship with customer satisfaction. The results of the statistical analysis designate that service quality peculiarities significantly associate with repurchase intentions and customer loyalty. It means that the study's hypothesis is supported and there are relationships between all the components of the service qualities studied. This study has demonstrated understandably that the service quality peculiarities are an authentic essence linked with customer satisfaction in agricultural business. The study therefore, concludes that there is a significant association between service quality peculiarities and customer satisfaction of agricultural merchants in Rivers State of Nigeria. The study recommends that Nigerian agricultural merchants should emphasize more on service quality peculiarities that relates maximally with customer loyalty.

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