

# A Study of Service Quality and the Customers' Satisfaction

of

Local Markets in Yangon

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#### Abstract

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This study developed the interrelationships between service quality and customer satisfaction of local markets in Yangon. Customer satisfaction was defined as the behavior of customers in the quality of local markets which had been referred to a consequence of all the experiences with service to customers at it. The research was customers' satisfaction as service quality for markets to develop markets.

The research was customers' satisfaction of local markets especially competitive advantage with modern markets to be enable them increase the customers' satisfaction and customers' retention. This paper identifies that Quality of service was critical factors for success of any business in local markets. Yangon and the key to achieve sustainable advantage lies in delivering high quality service that results in satisfied customers.

Keywords: Service Quality, Customers' Satisfaction, Customer happiness, Location Markets, Yangon.

Approved by

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# Chapter (1)

# **1.1. Introduction**

#### **1.2. Research Background**

Myanmar was a Southeast Asian nation of more than 100 ethnic groups, bordering India, Bangladesh, China, Laos and Thailand. Yangon, the country's largest city, was home to bustling markets, numerous parks and lakes, and the towering, gilded Shwedagon Pagoda, which contains Buddhist relics and dates to the 6<sup>th</sup> century. Hence the republic of the Union of Myanmar was the 26<sup>th</sup> most populous country in the world, and the 40<sup>th</sup> largest country by area, 2019 estimated population of 54.05 million (Myanmar 2017).

Myanmar has 676,578 square kilometers of surface area available within its boundaries. This includes 1,930 km of coastline. When calculated with the estimated current population of 54.05 million, the population density overall is approximately 79 per square kilometer. Yangon is the largest city and the capital of the area. It contains 4,477,638 residents. Mandalay comes in second, with 1,208,099; and is also known as the economic center of the country (Myanmar Population 2019). Therefore, the research was affecting customer behaviors, in local market in Yangon, it is customer satisfaction.

Together with the historic pagodas, Yangon local markets are an allure of the hectic city where you can expect to see the culture of Myanmar comes to life. Its where everything is sold from tropical fruit to other beautiful products. Myanmar local markets was still complex and particular brand which was very popular as quality and standards. There are so many local Markets in Yangon which are Bogyoke Aung San Market (located in the heart of Yangon, Bogyoke Aung San Market, also known as Scot' Market is the best market in Yangon. It is a 70-year-old market sprawls over a couple of levels along Bogyoke Aung San Road. Arguably, it is the most renowned tourist market and pleasant shopping experience. There are some 2,000 shops here selling anything from souvenirs to their famed lacquerware, Shan shoulder bags, puppets, slippers, and gems), Theingyi Zay Market (a sprawling market in Latha township is one of Yangon's most gorgeous

quarters and arguably one of the most unique markets in Asia. The market was first built in 1905 and is the biggest market in Yangon. There are more than 1000 shops and stalls constitute the traditional wet and dry market that textiles. Rice, fish paste, clothing, cosmetics, raw herbal medicines, beeswax, and toys can be found in the shops inside the existing building as well as the blocks and streets around), Anawrahta Road Night Market (Yangon by night is charmingly gorgeous by the sparkling night markets especially Anawrahta Road Night Market. This central night market in Yangon is one of the most renowned tourist attractions due to poor lighting that could range from dim fluorescent lights to a few candles. The market starts before sunset as people return home. Fish, chicken, and pork are sold right on the roadside, by colorful piles of vegetables, fruit, and flowers), Chinatown Market (the Chinatown market one of the busiest markets in Yangon is located to the west of Sule Pagoda in the downtown part of the city. It takes in 18th Street through 24<sup>th</sup> and is streaming with traffic, pedestrians, shops, and markets. There are also a bunch of local products such as gold and jewelry stores, cyber cafes, restaurants, temples, and fruit vendors. The narrow streets leading off the main roads are a warren featuring baskets, paper goods, crafts, flowers, and even songbirds), Thiri Mingalar Market (Located outside the center of Yangon, Thiri Mingalar Market is the biggest farmer market in Yangon. It is a great chance for the customer to encounter the chaotic, smelly lively market. The customer might stumble across mounds of cabbages, racks of bananas, trays of watermelons or piles of flowers. Crowds of trucks, tuk-tuks, bicycles, laborers, and shoppers create an energetic bustle around Thiri Mingala. It's a must see for tourists and a great place to capture some colorful pictures) are top local Markets in Yangon, Myanmar (GMT, 2018).

The local was seen growth as international brand in Myanmar thus the customers' satisfaction was failed to attract in local markets. The customers in Myanmar local markets was competitive and impressive benefit with Standards (ABC, G&G and Supermarket). The local markets of Myanmar country were made up to traditional and modern local markets. In Myanmar, the rise and growth of supermarkets in Myanmar, especially in Yangon and Mandalay was mainly attributed to a growing middle-income consumer segment, expectation and trust into customers' satisfaction in local markets in Yangon. Therefore, modern local stores in Myanmar are dominated by a few players of import directly mainly through agents and carry a large selection of quality of imported products. The main modern supermarkets and hypermarkets and City Mart Supermarket and Ocean Super Center, where were owned and operated by City Mark Holding, Orange

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Supermarket by Creation and Capital Hypermarket by the Capital Diamond Star Group and Sein Gey Har Supermarket in Myanmar. But most of the Supermarket outlets were located in Yangon with a few outlets in Mandalay. Nay Pyi Taw has two Ocean Supermarkets and one Capital Hypermart and their customer base are upper and middle-class locals (Hlaing 2018).

According to Cin, & Chaipoopirutana (2014), have customers empirically that service personal values have a positive impact on customers' satisfaction in the service sector in local market. In general, customers were those people who buy goods and services from local market that it was met as their needs and wants. Customer purchase products to meet their expectations in terms of money. Hence, the market should determine their pricing with the services quality of the product that attracts the customer and maintains the long-term affiliation in local market. It was a way of aspect to ensure the attention of the customers which was to provide the best and the most favorable products at the market (Hlaing 2018).

#### **1.3. Research Problem**

The research was founding out Service Quality and the customers' satisfaction of local markets in Yangon. It was customer running out local markets to modern markets. It was less service quality as having an important influence on customer's satisfaction, loyalty and happiness at local markets. Hence, satisfaction was less the local markets product to customers' expectation (Maung, E.M. 2017). The problem was that the customers were less satisfaction in local markets, Yangon.

Service quality had been described as a form attitude, related but not equivalent to customers' satisfaction, the results from the comparison of loyalty and happiness with performance. Service quality was defined as the gap between expected service and perception of service actually received from customers into customers' satisfaction, loyalty and happiness in local market, Yangon (Akinyi. O. M 2018).

In local markets, customers' satisfaction was dissatisfying to be shopping in Yangon. After they are trust to service but customers are without receiving a good service quality at service thus customer are runaway in local markets. In the case, problem which has been suffer for internal and external business development in local markets. In order to achieve customers' satisfaction, it was important to recognize and to anticipate customers' needs and to able to get customers' satisfaction (Hlaing 2018).

#### **1.4.** The Objective of the Study

The research aims to determine was customers' expectation, trust and satisfaction. The objective of this research was to assess Service Quality and Customer Satisfaction of local markets in Yangon. The specific objectives of this research are as follow:

- To examine the impact of service quality dimensions on customer satisfaction.
- To analyze the factors effecting the customer satisfaction of local market.
- To study how to improve service quality and customer satisfaction.
- To compare between local markets and super market.
- To find out how to provide customer satisfaction and how to enhance the local market of Yangon.

### **1.5.** The scope of the study

My research considered the quality choice decision for local markets of Yangon and customers' satisfaction. The identified in this study with the category which studied the factors were product, price, place, people, process, promotions, physical evidence, brand, behavior and life style of quality of local markets in Yangon, Myanmar.

#### **1.6. Research Significance**

Research Significance was that at first, product, place, promotion, process, people and physical evidence had an impact on the customers' satisfactions on their purchase. As a secondly, how service quality, product quality and information quality were very important to influence on sales, maintain customers' choices and local market expands. At third, to identify the elements of customer buying behavior and customers' life style were effecting on their making decision (Win, 2016).

Customer satisfaction was viewed as the cumulative experience with a certain product or service as satisfaction with a single transaction barely leads to long-lasting customer loyalty (Cin, J.T.C & Chaipoopirutana, S (2014). This study was about "A Study of Service Quality and the Customers' Satisfaction of Local Market in Yangon". The researcher will focus on the population of customers and past research who had experience of coming to local markets of Yangon in Myanmar. The research was depending past research at local markets, Yangon.



#### Chapter (2)

#### **2.1. Literature Review**

The firstly, customers' satisfaction was customers' perception of service quality, which was described as the result of a comparison of the customers' expectations and his or her subsequent perceived performance of service quality (Minh & Huu 2016). Therefore, customers' satisfaction was the add value the production for customers' trust and it was needed as quality product to justify brand extension at local markets. The research was suggesting that price can influence perceived quality in that higher price acts as a signal of product quality under the assumption "you get what you pay for" (Jacobson & Aaker, 2015). Hence, customers' loyalty and happiness in local markets were considered as the one important resource modern organizations and the processes of strategic resource, supervision in the market. The service quality and customers' satisfaction were providing a value through, to its users and to the organization in market (Zoubi & Hashem 2015).

Customers' satisfaction was arising the quality at local markets, Yangon. The research was to issues the market with service, which was willing to customers' satisfaction, loyalty and happiness to shop in local markets where was value to effect marketing performance, to propose the quality in achieving to local markets, Yangon.

#### **2.2. Service Quality**

0000000 Service quality is the gap between that the customer want and what they actually get or perceive they are getting (Alex & Thomas 2011). Service was the provision of any facility or any task performed for another, product or activity for another's use but not ownership, which arises from the exchange transaction. It was intangible and incapable of accompanying a product (Myint 2015).

Without any doubt, service quality was very important component in any business related activity. This was especially so, to marketer a customer's evaluation of service quality and resulting level of satisfaction were perceived to affect bottom line measures of business success

(Munusamy & Chelliah & Mun 2010). Service quality referred to the result of the comparison that the customers made their expectation about the service and their perception of the way the service had been performed. Originally there was no any model for the quality measurement based on a service quality. Normally, customers' satisfaction studies were conducted to figure out how satisfied customers were with a certain service. Later on, Leonard Berry and his colleagues developed the SERVQUAL (SERvices QUALity) instrument which was important for measuring the customers' service quality (Khadka & Maharjan 2017).

Service quality was the result of the comparison that customers make between their expectations about a service and their perception of the way the service has been performed. A number of experts define service quality differently. Maung (2017) defines it as the differences between customers, expectation of services and their perceived service. If the expectation was greater than the service performance, perceived quality was less than satisfactory and hence, customer dissatisfaction occurs. Hence, he defines service quality as the extent to which a service meets customers, need and expectation. In the service marketing literature, service quality was described as the consumer's judgment about the entity's total excellence or advantage. These markets competitive benefit lies in their service quality as perceived by customers. Hence, certifying quality service was the key for survival of all businesses and industries dealing in service offerings markets comprehensive (Mon, M.E.E & Prasongsukarn, K & Chaipoopirutana S. 2015).

#### **2.2.1. Importance Performance Service Quality**

Importance-performance analysis (IPA) compared the performance of service elements against the importance of the elements to the customer. It was a simple and straightforward approach to measuring service quality. The elements that are used to define measurement scales can be derived through exploratory research. Though in practice some researchers had used scale items similar to those used in SERVQUAL, the difference was in the treatment of scores. The IPA approach calculated performance minus importance (P-I) score as opposed to calculating perceptions minus expectations (P-E) score (Odeny, B. A (2016).

#### 2.2.2. Delivery Service Quality

Service quality has a positive effect on customers' satisfaction in home-delivery services. To ensure customers' satisfaction, a partnership relationship must be developed between the service provider and the customer. Specifically, trust is a decisive factor for relationship continuity, Service quality has a positive effect on trust in home-delivery services and trust has a positive effect on customer loyalty in home-delivery services (Chou 2014).

As mentioned earlier, three hypotheses are relevant to the model based on previous studies. These hypotheses focus on the interrelationships among service quality, trust, and customers' satisfaction. According to their aggregated scores for agreement with the 19 service quality attributes, respondents' perceptions ranged from neutral to strongly agree (their mean scores were all over 4.0). The top three service quality attributes in home-delivery were: 'range of delivery', 'seldom lose parcels', and 'invoice accuracy' (Chou 2014).

#### 2.3. Customers' Satisfaction

According to Oliver customers' satisfaction did the core philosophy of marketing strategy of any organization and plays a key role in an organization's success and Kotler believes that satisfaction is the overall customers' attitude or behavior towards the difference between what customer expect and what they receive, regarding fulfilment of a goal. Customers' Satisfaction has been given different definitions by many gurus in the area of marketing. Zethaml and Bitner in their service marketing approach define customers' satisfaction as the customer evaluation of a product or service in terms of whether that product or service has met their needs and expectations (Agyapong 2017).

Customers' Satisfaction was an overall evaluation of performance bases on all previous experiences with a firm. The consumer's overall satisfaction with the organization based on all encounters and experiences with that particular organization. Cronin et al. defined customers' satisfaction as the reflection from the customer to the organization based on their perception and their efficiency of service confrontation. This theory had changed the model of decision making from customers' viewpoint to the corporations' viewpoint including affect and feeling. The method will prompt the level of customers' satisfaction which consist of perception and efficiently reflect (Mon, M.E.E & Prasongsukarn, K & Chaipoopirutana S. 2015).

#### 2.3.1. Importance of Customers' Satisfaction

We have to find out that customers' satisfaction is important for both customers and businesses. Therefore, we need to focused not only on providing satisfying market development, itself, but also are always trying to improve customer service. There are six reasons why achieving customer satisfaction is important for business success. They are – Customer Satisfaction matters even more than price, Customer Satisfaction keeps brand ahead of the competitors, Customer Satisfaction promotes customer retention, Customer Satisfaction promotes customer loyalty and Customer Satisfaction reduces negative word of mouth (WishDesk Official 2018).



# Chapter (3)

#### **3.1.** Finding

To identify the antecedent of customer satisfaction to local markets, Yangon, it was getting the research which was conducted a meta-analysis of Service Quality and the Customers' Satisfaction in local markets, Yangon. It was the Service Quality, Customers' Satisfaction, Customer happiness, Location Markets, Yangon. Thus, the service quality was the local markets how much efforts were being exerted for purpose to customers and was primarily a function of difference scores expectations and perceptions for reliability and responsiveness. Customers' satisfaction indicted to be suitable for a sustainable evaluation of the performance of markets, Yangon. Customer happiness was relationship between customer expectation and service quality from the local markets. The research had been continuously endeavoring to find the solution for improvement of quality.



Figure 1: Customers' Satisfaction

The main objective of this research was to study whether customers' satisfaction to Service Quality, Delivery Service Quality, Customer happiness in local markets, Yangon. The service quality had been dominated as reliability, responsiveness, assurance, empathy and tangible in markets, thus Delivery Service Quality was for product in the markets to customer as availability, responsiveness, reliability, delivery market to customers' satisfaction. The markets had their ordering as delivery service quality to customer as attitudes, and they wanted to manager customer satisfied in local markets. The growing interest markets development models markets in Yangon, was undoubtedly justified by the fact that under today's business conditions customer with good delivery service from markets. Thus, to understand what causes people to be satisfied as happiness with delivery service, and customer services. The research had focused on identifying the marketing of Customers' Satisfaction of Local Markets in Yangon.



# Chapter (4)

#### **4.1.** Conclusion

The researcher was concluding "A Study of Service Quality and the Customers' Satisfaction of Local Markets, Yangon". It was concerning with their current Service Quality, Delivery Service Quality and Customer happiness. In results of this research, were most satisfied with customers in local markets with customer satisfaction as service quality. Delivery service quality was the relationship in personal behavior to shop in local markets which was positively compensation of customers' satisfaction to gain the results of satisfaction and opinions, expectations and understand to buy the product at local markets. After customers were satisfaction in market, they were stability at market with shopping in local markets thus they were shopping happiness community with shopper. The measuring facts of Service Quality, Delivery Service Quality and Customer happiness, had been obtaining a complete of their specific strengths and weakness related to being an influence of customers' satisfaction, Tawmaw, Boungtataing, South Dagon and North Dagon, in Yangon.



#### Chapter (5)

#### 5.1. Recommendation

The recommendations were described as the perspective of research concerning with its objectives of the research. The recommendations of a dependent variable of Customers' Satisfaction of Local Markets in Yangon was described. There was a commitment between customers and customers were exportation the product as quality and expired of date in markets and other necessary documents at local markets with customers' need as healthy product. Hence, local markets were provided the efficiency score which express how efficient the attributes from products/ services make the customer satisfy comparing with other products or services. Customer who give equal satisfaction as prices which is price is really to reduce costs through improving manufacturing and efficiency, and most importantly the marketer needs to increase the perceived value of the benefits of its products and service. The service place in Yangon as intangible. Therefore, the cores have different emotions towards the service provider, different expectations concerning the service provider's future capabilities to perform, and different behavioral intentions to maintain the relationship. Promotion in Yangon all of the activity's marketers undertake to inform consumers for their product to receive. The customer uses the in local markets service quality as happiness at good service. Finally, there was to be need more study to understand attitudes, environments, unjustified expulsions in local markets, Yangon.

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