

Systematic Literature Review: Identification of Service Attributes Servqual that Affect Customer Satisfaction in Distribution Companies

Masda Megawati Marpaung

Postgraduate Student of Magister Management Program

Faculty of Business and Economic

Universitas Mercu Buana,

Jakarta, Indonesia

masdamegawati@gmail.com

Lien Herliani Kusumah

Senior Lecturer in Magister of Industrial Engineering Program

Faculty of Engineering

Universitas Mercu Buana,

Jakarta, Indonesia

lien.herliani@mercubuana.ac.id

Abstract

Customer satisfaction is an important aspect of service quality in any company, including distribution companies or suppliers, because it is a good assessment of many service attributes. The company conducts customer assessments related to service quality to determine customer satisfaction. A distribution/supplier company is a company that has business activities to store and distribute products to both B2B and B2C consumers. Servqual is an instrument to measure the dimensions of service quality proposed by Parasuraman. Servqual can show how far the difference between reality and customer expectations for the services received from the company by comparing customer perceptions of the service with the service received by the customer. Servqual has five dimensions, which are Tangibles, Reliability, Responsiveness, Assurance, and Empathy. Researchers conducted a literature study to analyze service attributes using Servqual that affect customer satisfaction on the service quality of distribution companies. The approach taken is a Systematic Literature Review (SLR) of journal articles taken from each case of journal and paper using the keywords Service Quality, Distribution Company, and Customer Satisfaction with the year of publication, not more than 5 years.

Keywords

Customer Satisfaction, Distribution Company, Servqual, SLR

1. Introduction

When acquiring items or using services, customers have certain expectations. A business must perform better in each of its work units if it wants to offer the greatest service. Because it takes the participation of all parties involved in the company to develop an excellent service. Quality and customer satisfaction are closely tied. Customers are given a distinct incentive by quality to establish long-lasting, mutually beneficial relationships with the business. In today's fiercely competitive climate, the importance of service quality as a determining factor for an organization's success is well known. It will be a concern if customer satisfaction drops as a result of subpar service (Kartika et al., 2020). The Servqual approach by Parasuraman, which comprises five dimensions and has been extensively researched by researchers in a various sectors, both industry and services, can be used to gauge quality of service. Service quality is the difference between what is delivered and what is anticipated, and loyal customers are expected to continue to be satisfied (Parasuraman et al., 1985)

In a manufacturing business value chain, distributors act as a bridge between production and consumption and as marketing intermediate (Gupta & Singh, 2015). Distributors handle order processing, inventory management and sales activity management through interpersonal connections with manufacturers. By attaining a high quality-to-cost ratio across all of their functions, distributors create value. Managing customer relationships (CRM), production and operations (including order processing, working capital and inventory reduction, lead time reduction, trade credit and financing activities, etc.), knowledge management (including technical product/process knowledge, market knowledge, etc.), and other areas are additional ways that distributors add value.(Gandhi et al., 2019).

The goal of this literature review is to evaluate the service attributes using Servqual that affect customer satisfaction on the service quality of distribution companies.

2. Literature Review

Since it was originally examined in the 1980s, service quality research has gained momentum. The study of service quality has been influenced by many outstanding individuals since it began. Cronin & Taylor, Gronroos, Parasuraman, Zeithmal & Berry, Rust & Oliver, and numerous additional authors are but a handful (Saini, 2018). For the quantitative and qualitative analysis of service quality, many models have been put forth. SERVQUAL is one of the models that is frequently used to gauge service quality. Despite the fact that there are numerous models available for empirical research, it is usually advised that the service quality model be adapted to the industry standards as each utility has its own unique operational management. Many scholars have examined the significance of service quality for the development of the service sector and the measurement of service quality levels in terms of various criteria, including empathy, reliability, intangible, assurance, communication, responsiveness, security, and credibility. The important research are briefly described below.

In a study (Pramudiyanti & Rahardjo, 2022) who conducted research on the distribution company Indomaret, it was found that the largest Service Quality lies in the Responsiveness dimension, containing indicators related to employee friendliness to consumers in providing services and always ready to provide services required by the customer. Then the empathy dimension contains indicators related to how much attention and concern employees have for customers and the Reliability dimension which provides clear and precise information to customers about the products being sold.

In drinking water distribution companies (Hasan & Suryana, 2019) it was found that customer satisfaction is influenced by the quality of the distributed drinking water, the company's ability to solve customer problems. In the same sector with different regions which is in Bogor, according to research (Octavia & Chotib, 2019) found that what affect customer satisfaction in addition to water quality and water quantity are the dimensions of Reliability, Empathy and Assurance where customers want information and friendly staff. A little different with two previous studies, in this research (Damayanti & Tuti, 2021), found attributes that affect customer satisfaction, is Tangible dimension, where customers expect real services that can be directly felt by customers, then the Responsiveness dimension (have a clear and accurate information), on the Reliability dimension (resolving incoming complaints from the customer immediately), Assurance dimension (provides services include explanations, being courteous, and having employees with the necessary knowledge and capabilities), and on the Empathy dimension, customers expect the delivery of information that is easy to understand and employee friendliness in responding to incoming complaints.

Research on the electricity distribution sector conducted in The Gambia (Jawneh & Manneh, 2020) finding that assurance, responsiveness and empathy are the primary factor influencing the utility industry's service quality as perceived by domestic consumers in Gambia. The same in research (Saini, 2018) with literature review on distribution of electric utilities, where high levels of customer satisfaction are the result of high service quality across the board, including tangibility, empathy, assurance, reliability, responsiveness, credibility, and communication to customer.

Research (Kartika et al., 2020) on distribution services and furniture installation found attributes that affect customer satisfaction, namely customers expect timeliness in the process, accuracy of service, clarity of service information, employees have a sympathetic attitude and understand customer needs specifically and look attractive.

Service quality research was also conducted in the Logistics sector, in (Uvet, 2020) it was found that Customers' levels of satisfaction with logistics companies that offer distribution and warehouse services are influenced by factors like timeliness, product availability, order conditions, and how order inconsistencies are handled. The same thing was

found in research (Fanani et al., 2020) on JNE Express distribution services found attributes related to clarity of information, timeliness of delivery and handling of customer complaints as attributes that affect customer satisfaction.

In the study (Mathong et al., 2020) there were five dimensions of SERVQUAL which were examined through a survey, and the outcomes revealed that "reliability" is the crucial aspect for retailers and distributors in the beverage industry.

3. Methods

This research is based on systematic literature review journal articles taken from each case of journal and paper using the keywords Service Quality, Distribution Company, and Customer Satisfaction with the year of publication, not more than 5 years. The selected journals were screened based on the researcher's inclusion and exclusion criteria. The inclusion criteria for this literature review include journal papers related to customer satisfaction with service quality distribution companies using the servqual method and journal articles published in the last five years, from 2017 to 2022. The exclusion criteria were articles that were excluded from this literature evaluation. If it is not a company that distributes goods or services and if the structure is incomplete (does not include research methods, does not attach research results, and does not have an identity). This resulted in several articles related to servqual and service companies, but only a few related to distribution companies, finally 10 articles were selected based on the criteria described.

4. Data Collection

After going through the screening process, ten articles were identified that are relevant to the research objective, namely analyzing service attributes using Servqual that affect customer satisfaction on the service quality of distribution companies. Table 1 is a review of the service quality attributes that affect customer satisfaction in distribution companies.

Table 1. Service quality attributes of distribution companies

Authors	Attributes that affect Customer Satisfaction
(Pramudiyanti & Rahardjo, 2022)	<ul style="list-style-type: none"> - Employee Friendliness - Employee concern for customers - Respond and quickly in customer complaints - Informative staff
(Hasan & Suryana, 2019)	<ul style="list-style-type: none"> - Quality of product - Fast handling customer complaints - Clear information
(Octavia & Chotib, 2019)	<ul style="list-style-type: none"> - The readiness of officers to serve customers - Quality and quantity of product - Ease the payment system - Fast handling customer complaints - Sensitivity of officers in providing information - The skills of employees - Employee Friendliness
(Damayanti & Tuti, 2021)	<ul style="list-style-type: none"> - Having service centers that make it simpler for customers - Quick response - Have a clear and accurate information - Fast Handling customer complaints - Employee have knowledge and skills - Employee Friendliness
(Jawneh & Manneh, 2020)	<ul style="list-style-type: none"> - Employees have attentive and helpful to customers. - Employee have knowledge and skills - Employees have fast and responsive in providing services

Authors	Attributes that affect Customer Satisfaction
(Saini, 2018)	<ul style="list-style-type: none"> - Quality of product - Quantity of product - Fast handling customer complaints
(Kartika et al., 2020)	<ul style="list-style-type: none"> - Services quickly - Employee have knowledge and skills - Timeliness of the process - Excellent service accuracy - Information clarity - Courtesy compensation - Figure out and connection with customers - Figure out particular buyer needs - Having Technology - Appearing Professional
(Uvet, 2020)	<ul style="list-style-type: none"> - Timeliness - Product availability - Fast handling customer complaints
(Fanani et al., 2020)	<ul style="list-style-type: none"> - Easy access to get information - Accuracy of service information provided - Service suitability - Conformity of order information on documents - Availability of service coverage - Claim handling - Fast Handling customer complaints - Delivery time
(Mathong et al., 2020)	<ul style="list-style-type: none"> - On time service - Send goods accompanied by invoices/purchase documents - Deliver goods without damage - Quickly respond - Employees have knowledge and skills - Fast Handling customer complaints

5. Result and Discussion

Upon examination of the papers selected to a proposed literature review, it was found 53 attributes used in measuring service quality that affect customer satisfaction in distribution service companies. These attributes are then processed by grouping each attribute that has the same meaning and purpose and found 17 attributes are obtained.

Of the 17 attributes found, the largest attribute that is often used is fast handling customer complaints of 18.87%, Have a clear and accurate information and easy to get it (11.32%), Employee consideration, sensitivity, and care for customers (9.43%), Employee have knowledge and skills (9.43%), Quality and quantity of product (7.55%), Timeliness of the service and delivery (7.55%) and Employee Friendliness, Quickly service and response, High service accuracy each had 5.66%. The percentage of use of the 17 attributes can be seen in Figure 1.

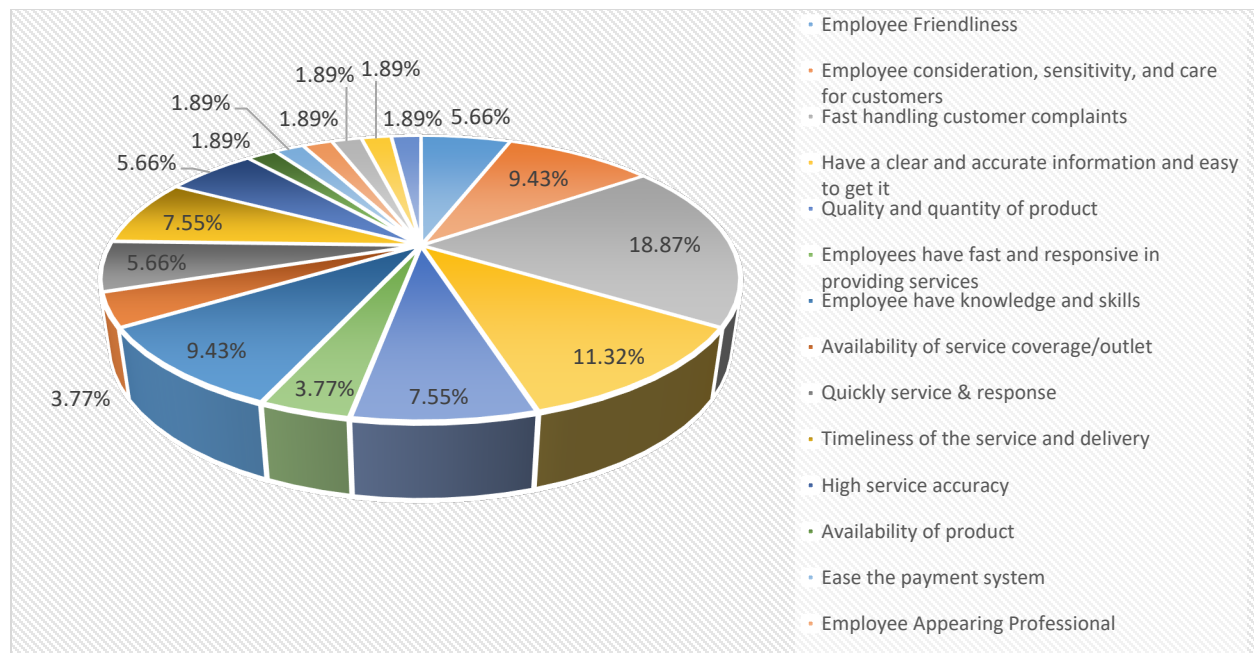


Figure 1. Percentage of attributes often used

Many reviews of service quality attributes that affect customer satisfaction in service companies have been carried out, but especially for distribution services, very few are found including case study research for distribution companies, and this makes it difficult to do extensive shooting of the attributes on the servqual dimension used in a distribution company.

The discussion of this study found the attachment of one attribute to another, where the attributes of employees having knowledge and skills (9.43%) related to services or products from the company will provide added value where these employees can satisfy customers with their knowledge and skills by providing efficient and effective services that can build customer trust in the company (Jawneh & Manneh, 2020) and these employees can provide accurate and clear information to customers (11.32%), with clear and accurate information related to services and products will help reduce customer disappointment (Pramudiyanti & Rahardjo, 2022)

Attributes related to employees who have consideration, sensitivity, and care for customers (9.43%) can increase customer satisfaction, because employees can find out what the customer needs and wants including customer complaints therefore employees can handle customers complain immediately (18.87%). Fast handling of customer complaints provides customer satisfaction (Damayanti & Tuti, 2021; Kartika et al., 2020). Good communication and empathy with customers are very important in the relationship between a company and its customers (Jawneh & Manneh, 2020) therefore companies needs to improve the human resources, especially who serve directly to the customer.

6. Conclusion

Service quality is one of the important issues for any service company whether it is hotels, banking, shopping malls, hospitals, education and including distribution companies. There are several models of service quality, including Servqual which has five dimensions, are Tangible, Reliability, Responsiveness, Assurance, Empathy. Where each of these five dimensions has service quality attributes to measure customer satisfaction. Each attribute will be adjusted to the company's business processes. Through this literature review, seventeen attributes are found that are often used by distribution companies to measure customer satisfaction. Attributes that affect customer satisfaction of distribution companies lead to fast and responsive customer complaints where customers are satisfied because their complaints are accommodated and processed, customers are also more satisfied if employees have sufficient knowledge and skills that they can help and inform related services provided, and because employees are representatives of the company, employees must be friendly, attentive and responsive to customer needs.

Reference

- Damayanti, E., & Tuti, R. Quality of Clean Water Services for Regional Water Companies in Tangerang City. *Jurnal Manajemen Pelayanan Publik*, 05(1). (2021).
- Fanani, Z., Puspitasari, N. B., Susanty, A., Andini, A. R., & Rumita, R. Analisis Logistic Service Quality Untuk Meningkatkan Kualitas Layanan Jasa Pengiriman JNE Express. *Jurnal Teknik Industri*, 15(2), 73–81. (2020).
- Gandhi, S. K., Sachdeva, A., & Gupta, A. Impact of service quality on satisfaction and loyalty at manufacturer-distributor dyad: Insights from Indian SMEs. *Journal of Advances in Management Research*, 16(1), 91–122. (2019). <https://doi.org/10.1108/JAMR-12-2017-0120>
- Gupta, T., & Singh, V. A systematic approach to evaluate supply chain management environment index using graph theoretic approach A systematic approach to evaluate supply chain management environment index using graph theoretic approach Tarun Kumar Gupta * Vikram Singh. *International J. Logistics Systems and Management*, 21(1), 1–45. (2015). <https://doi.org/10.1504/IJLSM.2015.069077>
- Hasan, S., & Suryana, P. The influence of service quality, distribution performance and customer orientation to customer satisfaction and its impact on corporate image (study on water supply company Tirta Siak in Riau province). *Journal of Advanced Research in Dynamical and Control Systems*, 11(8 Special Issue), 1258–1270. (2019).
- Jawneh, S., & Manneh, M. Service Quality Determinants of Electricity Consumers in The Gambia. *European Journal of Business and Management Research*, 5(4), 1–8. (2020).
- Kartika, H., Kholil, M., & Bakti, C. S. Service Quality And Customer Satisfaction In Furniture Sector Installation Services. *Journal Industrial Engineering & Management Research (JIEMAR)*, 1(2). (2020).
- Mathong, P., Sureeyatanapas, P., Arunyanart, S., & Niyamosoth, T. The Assessment of Service Quality for Third-party Logistics Providers in The Beverage Industry. *Cogent Engineering*, 7(1), 1–18. (2020). <https://doi.org/10.1080/23311916.2020.1785214>
- Octavia, A., & Chotib. Service Quality Gap Analysis of Water Supply in Urban Areas: Water Supply Company, Bogor Regency. *International Conference on Sustainable Design, Engineering, Management and Sciences*. (2019).
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. A Conceptual Model of Service Quality and Its Implications for Future Research. *Journal of Marketing*, 49(4), 41. (1985). <https://doi.org/10.2307/1251430>
- Pramudiyanti, N., & Rahardjo, B. Optimalisasi Kepuasan Konsumen Indomaret Melalui Analisis Service Quality (SERQUAL) (Studi Kasus Indomaret Wilayah Magelang). *Jurnal Bisnis Manajemen Dan Kewirausahaan*, 3, 406–416. (2022).
- Saini, S. Analysis of Service Quality of Power Utilities. *International Journal for Research in Engineering Application & Management (IJREAM)*, 3(11). (2018).
- Uvet, H. Importance of Logistics Service Quality in Customer Satisfaction : An Empirical Study. *Operations And Supply Chain Management*, 13(1), 1–10. (2020).

Biographies

Masda Megawati Marpaung has a bachelor's degree in chemistry from the faculty of mathematics and natural science, Universitas Sriwijaya, Palembang. Indonesia. Twelve years working as Quality & Regulatory in distribution and manufacturing company since 2010. Now, she is continuing her studies by taking a post-graduate degree majoring in operational management at the management master's program at the Faculty of Business and Economics, Universitas Mercu Buana, Jakarta, Indonesia.

Lien Herliani Kusumah is senior lecturer in Magister Industrial Engineering Program, Faculty of Engineering, Universitas Mercu Buana, Jakarta, Indonesia. She has Master's and Doctoral degrees in Industrial Engineering and Management from Bandung Institute of Technology, Indonesia. In addition, she has a Bachelor's degree from Operation Management, Faculty of Management, Ikopin University, Indonesia. Her research interests include total quality management, performance and productivity, governance, operations & service management, enterprise risk management, learning organization, knowledge management, co-operatives business, and small-medium enterprises. She has published scientific papers and reviewed research papers for international peer-review journals. She is a member of the research team contributing to the first global assessment of the current state of organizational excellence and a senior researcher at the Indonesian Institute of Corporate Governance. Her work at the University is supported by a research grant from ÖAD, at Graz University of Technology, Austria.