ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE

Department of Marketing Management

THE IMPACT OF FOOD DELIVERY MOBILE SERVICE QUALITY ON CUSTOMER SATISFACTION: THE CASE OF BEU FOOD DELIVERY

A Thesis Submitted on The Partial Fulfillment of the Required for the Award of Master of Science in Digital Marketing with Speciality in E-commerce

By

Filagot Yitna

June, 2024

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Approval Sheet

Department of Marketing Management

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Approved by Board of Examiners

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Student Declaration

I, Filagot Yitna, declare that this research paper entitled “The Impact Of Food Delivery Mobile Service Quality On Customer Satisfaction: The case of Beu Delivery” is a work of my own, and the sources I used for my research are all properly cited. I have constructed it on my own with the exception of my advisor's advice and support.

By: Filagot Yitna

Signature: _____

Date:_____

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List of Acronyms

OFD Online Food Delivery

M-S-QUAL Mobile Service Quality

Abstract

The rapid expansion of online food delivery systems is evident worldwide, including in Ethiopia, where numerous new online food delivery plataforms are constantly being introduced. While it has been practical to measure service quality in traditional settings such as restaurants and hotels, the concept of mobile service quality is relatively new and focuses on mobile-specific aspects. The M-S-QUAL dimensions, introduced by Huang, E.Y., et al. in 2015, redefine the approach to evaluating service quality in mobile contexts. This study examines the impact of mobile service quality on customer satisfaction within the context of Beu Food Delivery in Ethiopia. Given the growing dependence on digital platforms for food delivery, this research aims to identify and analyze the factors that significantly influence customer satisfaction. The study employs the Mobile Service Quality (M-S-QUAL) model, which evaluates dimensions such as efficiency, responsiveness, fulfillment, privacy, and contact.

A quantitative research methodology was adopted, utilizing a structured questionnaire based on the M-S-QUAL dimensions. Data were collected using non-probability convenience sampling and analyzed through descriptive statistics, correlation analysis, and multiple linear regression techniques. The findings provide insights into how mobile service quality influences customer satisfaction in the burgeoning online food delivery market in Ethiopia, offering valuable implications for service providers aiming to enhance their digital offerings.

Key words: Mobile Service Quality, Online food delivery systems, Service quality, Customer satisfaction, Beu Delivery, Ethiopia, Digital plaforms

CHAPTER ONE: INTRODUCTION

1. Background of the Study

The term "online food delivery" (OFD) describes the online ordering platform that customers utilize to place restaurant and fast-food orders (Elvandari et al., 2018). It's a service that enables customers order meals from restaurants or other businesses through digital channels like websites or apps for food delivery. These solutions allow customers to track their orders and provide them with accurate and thorough information about the restaurants and menu options.

Moreover, digital payment methods have made purchasing processes easier for online meal delivery services. Customers have more options for restaurants and food goods under the OFD system (Pigatto et al., 2017).

Restaurants and fast-food merchants may expand their customer base at a reasonable cost and enable customers to quickly and easily buy the meal of their choosing by using OFD (Ray et al., 2019).

The custom of eating out and putting in-person food orders has been less and less common since the COVID-19 epidemic began. Rather, the preference is now more for the ease of ordering meals while lounging in one's own home. Customers' buying habits and strategies had undergone significant changes as a result of the COVID-19 pandemic outbreak in 2020, which presented businesses with difficult new problems (Belarmino et al., 2021).

While food delivery services are becoming highly popular in the Western world, they are still in early stages in Ethiopia, although they are expanding quickly and gaining acceptance. Due to

COVID-19, the governments of the majority of countries, including Ethiopia, have placed in physical distancing measures to stop the virus from spreading. Because of this policy, a lot of smartphone users purchase food online using food delivery apps. The outbreak of the COVID-19 pandemic in 2020 has profoundly changed customers' purchasing behaviors and methods, by forcing businesses to face new and complex challenges (Belarmino et al., 2021).
In this regard, new laws, regulations, and repeated closures have severely affected restaurants' and catering businesses' practices. To limit the loss of orders and respond to the expectations of customers, many restaurants and catering businesses have chosen to renew their offerings by introducing or improving food ordering delivery services (Khan, 2020).

Apart from the COVID-19 pandemic, in today's fast-paced work environment, the reliance on food delivery services has become increasingly crucial for busy employees, the accessibility and efficiency offered by food delivery platforms have become essential tools for maintaining the well-being and productivity of the workforce. The food delivery industry has been experiencing a significant surge in demand for food delivery apps (FDAs). Small and medium-sized enterprises (SMEs) are now using FDAs as a means to increase their business performance and reach out to a larger number of customers (Khaskheli, Jun, & Ahmed Bhuiyan, 2017).

In this regard, the activities of restaurants and catering companies have been significantly impacted by new rules, regulations, and frequent closures. Many restaurants and catering companies have decided to update their products by adding or enhancing food ordering delivery services in order to reduce order loss and meet client expectations (Khan, 2020).

1.2 Statement of the Problem

As traditional modes of eating out continue to shift to digital platforms, particularly in the wake of COVID-19 lockdowns, restaurants and catering businesses worldwide have increasingly adopted online food ordering and delivery services (OFODSs). This trend is also evident in Ethiopia, where numerous online food delivery services are being introduced. Despite this rapid growth, there remains a significant gap in understanding how mobile service quality impacts customer satisfaction within this context. Addressing this gap is crucial for service providers like Beu Delivery to enhance their digital offerings and better meet customer expectations.

Service quality is fundamental to customer satisfaction, which is essential for maintaining long-term relationships between companies and consumers. In the food delivery industry, timely, accurate, and convenient service is paramount for achieving high customer satisfaction. Traditional models for measuring service quality do not adequately capture the unique aspects of mobile services. The Mobile Service Quality (M-S-QUAL) model, adapted from SERVQUAL, focuses on these mobile-specific aspects, yet its application in the Ethiopian online food delivery context remains underexplored. This study aims to fill this gap by examining the relationship between mobile service quality dimensions (efficiency, responsiveness, order fulfillment, privacy, and contact) and customer satisfaction in Beu Delivery's service.

To promote the growth of food delivery services via online platforms, it is imperative to understand the factors that influence customer satisfaction. Previous studies, such as those by Chung and Yi (2023), have identified key areas needing improvement in food service quality, such as kitchen hygiene, sanitary cooking, and quick customer complaint handling. However, there is a lack of focused research on how mobile service quality dimensions affect customer satisfaction in the Ethiopian context.

This research aims to explore the impact of mobile service quality considering the independent variables (efficiency, responsiveness, order fulfillment, privacy, and contact) and the dependent variable (customer satisfaction) in the case of Beu Delivery, one of the leading players in this sector in Ethiopia's context, and find out how end users participate in and evaluate such digital platforms.

1.3 Research Questions

The following research questions will guide the investigation:

1 How does efficiency factors in Beu's mobile application contribute to customer satisfaction?
2 How does the responsiveness of Beu's platform impact overall customer satisfaction?
3 In what ways does Beu's Order fulfillment process influence customer satisfaction?
4 How does Beu's commitment to privacy contribute to enhancing customer satisfaction?
5 What's the impact of contact on Beu's customer satisfaction levels?

1.4 Research Objectives:

1.4.1 General Objective

The overall objective of this research is to investigate the impact of food delivery service quality on customer satisfaction by using the M-S QUAL(Huang et al. 2015) dimensions in the case of Beu Food Delivery.

1.4.2 Specific Objectives:

1. To evaluate the impact of efficiency of Beu's mobile application on customer satisfaction.
2. To analyze how Beu's responsiveness affects customer satisfaction levels.
3. To examine the influence of Beu's order fulfillment process on customer satisfaction.
4. To Investigate the role of privacy and confidentiality measures in fostering customer satisfaction.
5. To determine the impact of contact in relation to customer service interactions on Beu's customer satisfaction rates.

1.5 Significance of the Study

The researcher concludes that the findings of this study helps to provide insights that are currently missing from the existing literature. The research findings aim to provide knowledge, to businesses regarding how they can customize their services based on preferences, optimize their operations, and how they can better meet the needs of their customers.. It helps specifically food delivery businesses improve their operations by identifying areas of improvement in the delivery process enhancing efficiency and maintaining food quality. Lastly, this research also opens up opportunities for related studies.

1.6 Scope of the study

The study is conducted in Addis Ababa, Ethiopia, with a selected food delivery company, Beu Delivery. This study seeks to find out how Beu's customers perceive the mobile service quality and how that quality impacts their level of customer satisfaction.

1.7 Limitations

The limitations of this study include:

Potential constraints related to the novelty of the subject matter in Ethiopia resulted in limited available data. Additionally, time constraints may impact the depth of the investigation, the accuracy of respondents' responses may be influenced by factors that could affect the reliability of their reported experiences.

1.8 Operational definition of key terms

- Online food delivery, or OFD, is the term used to describe online ordering and delivery services that connect customers with restaurants via their mobile applications or websites (Ray et al, 2019).
- M-S-QUAL, or mobile service quality, is a novel measure that Huang et al. (2015) created to evaluate the quality of cellular services that provide both virtual and physical goods.
- Customer satisfaction: How well a product meets or falls short of a customer's expectations determines the degree of satisfaction, according to Philip Kotler (2000).

1.9 Organization of the Study

There are five chapters in the study paper. An overview of the background of the study, statement of problem, objective, research questions, significance, scope, and the limitation of the study is provided in Chapter One's introduction section. Chapter Two: Review of Literature Relevant topics related to the study are covered in this chapter. The study's theoretical establishment, empirical review have all been displayed. Methodology, Chapter Three, described the procedures for selecting the sample, how the questionnaire was used, created, and validated , as well as gathering and evaluating the results. The results and outcomes that relate to each research component were presented in Chapter Four, Findings. Chapter Five includes Summary, Conclusion, and Suggestions, offers an overview of the whole investigation, a conclusion based on the results and suggestions for more research, or a study based on the study's conclusion and recommendations for further study.

CHAPTER TWO: REVIEW OF RELATED LITERATURE

2.1 Introduction

This second chapter of the study presented the theoretical, Empirical, and conceptual framework with related literature.

2.2 Theoretical Literature Review

2.2.1 Overview of Online Food Delivery (OFD)

According to Lu et al. (2009), mobile devices are also essential for business. The increasing use of digital tools and technology has widened the number and availability of information sources. Customers today are therefore more demanding than they were in the past. They gain from using a variety of platforms and touch points, including social media, laptops, tablets, and mobile devices.

Datareportal (2023) states that there have been major changes to Ethiopia's digital ecosystem, at the beginning of 2023, there were 20.86 million internet users in the country, representing a 16.7% internet penetration rate. As of January 2023, 6.40 million Ethiopians, or 5.1% of the population, were active social media users. 53.5 percent of Ethiopia's population, or 66.80 million active mobile phone connections, existed at the start of 2023. GSMA Intelligence figures show that in January 2023, 53.5 percent of Ethiopians have a mobile connection. Ethiopia saw a 17.8% rise in mobile connections from 2022 to 2023 of 10 million.

A lot of technology advancements have lately affected OFD. For instance, by developing websites and allowing customers to make online food orders, restaurants have transitioned from offline to online platforms (Yeo et al., 2017). Online food delivery services are in high demand as a result of the COVID-19 pandemic. Due to the restaurant prohibition and concerns about contracting the virus, many use food delivery services online as a safer alternative. The COVID-19 pandemic has resulted in a considerable increase in the demand for online meal delivery services. Research indicates that lockdowns and safety precautions have contributed to this rapid expansion of the online food industry (Liboredo et al., 2022).

In addition to increasing customer demand for food delivery services, the pandemic has rendered numerous restaurants dependent on these services to remain open (Zhao, X et al., 2021).

In today's fast-paced workplace, when time is important, many busy professionals have found refuge in online food delivery services. Convenience is essential in today's time-constrained, fast-paced work environment, which makes online meal delivery services essential. Due to its effectiveness and convenience, online food delivery services are quickly becoming a need in people's lives, particularly in the fast-paced workplace of today (Samsudin, A. et al., 2022).

Another reason for the increase in food delivery services available online is advancements in technology that make it easier for customers to place orders and receive efficient, timely service. Moreover, online food delivery services have saved the struggling restaurant industry during the COVID-19 pandemic (Liboredo et al., 2022).

2.2.2 Nature of m-service

Assessing the quality of a service requires an understanding of its nature (Parasuraman et al., 1985). The three main characteristics of mobile services are customization, context awareness, and mobility. One key component of mobile services that enables customers to use the service from anywhere at any time is mobility, or the ability to stay connected at all times and locations (Kakihara and Sorensen, 2002).

Niemala (2006) and Tan and Chou (2018) have identified three categories of mobile services (m-services): m-communication (mobile communication), m-content (mobile content), and m-commerce (mobile commerce administrations). In order to connect individuals via phone services, short message services, or mixed media information services, m-communication sets up providers as an essential component. Additionally, it lets users utilize their mobile devices to establish connections with other users via the portable network.

The m-content service delivers material to the subscriber's mobile device over a cellular network. material providers use cellular networks to distribute and transfer a wide range of information, including application, multimedia, and informative material. This type of material is usually

called m-content. M-commerce services enable financial transactions using mobile devices. One example of this type of service is mobile banking. Online shopping services are also included in the example as they fall within the m-commerce category. Clarke and Flaherty (2003) highlighted four characteristics of m-commerce: ubiquity, convenience, localization, and personalization.

Mobile commerce, according to Kleijnen et al. (2007), is the capacity of wireless devices to be mobile while facilitating electronic service transactions. In general, m-commerce falls within e-commerce. However, mobile commerce is unique and provides users with certain advantages (Balasubramanian et al., 2002). In contrast to other goods and services, mobile services may be perceived as homogenous due to the laws and regulations (Lim et al., 2006). Even if more individuals than ever before are using mobile technology, mobile services are still thought of as innovative marketing tools. The progress of mobile services is always growing.

The primary drivers behind this advancement are the substantial amount of wireless gadget entry, the steadily rising popularity of mobile technology, and the growth of e-commerce (Kleijnen et al., 2004; Wang and Lin, 2012). An additional new development in marketing is the analysis of the acceptability of mobile services. As a result, researchers adopt earlier scales to adapt to mobile services. Kleijnen et al. (2004), for example, used the Adoption of Innovation Framework to identify the properties of mobile services. Using an adaption of the Adoption of Innovation Framework, the researchers identified four characteristics for mobile services: communicability, complexity, relative benefit, and compatibility (Kleijnen et al. 2004). Relative advantage and the satisfaction consumers derive from always having access to mobile services are connected.
"Compatibility" refers to how users see the mobile service integrated into their everyday lives. Prior experiences, values, and desires are all factors that we consider. “Complexity” is the use of mobile services for goals other than service delivery. "Communicability" is the term used to describe social impact (Mallat et al., 2006; Kleijnen et al., 2007; Wu and Wang, 2005).

2.2.3 Service Quality

As this study is to ascertain how the OFD's mobile service quality dimensions which are founded on M-S-QUAL affect customer satisfaction. It is essential to understand the development of

mobile service quality as documented in scholarly works. Therefore, in relation to this study context, the paragraph that follows starts with the original service quality model and goes on to explain how the literature on electronic service quality has changed over time. Finally, it discusses the literature on mobile service quality.

It is harder to judge the definition of services than it is for a physical thing since they are intangible. The SERVQUAL scale, also known as SERVPERF and SERVQUAL, was developed in 1988 by Parasuraman and collaborators. The scale states that service quality is measured along five parameters. According to Parasuraman et al. (1985), these are the tangibles: reliability, assurance, responsiveness, and empathy. Lastly, we could presume that the quality will be determined by the difference between the customer's expectations and their real experience (Parasuraman et al., 1985; Brady and Cronin, 2001).

Despite being the most used scale for evaluating service quality, SERVQUAL does not come without its critics. Cronin and Taylor (1992) studied service quality using SERVPERF, a performance metric, in response to this criticism. Measuring the difference between expectations and execution is an inappropriate way to evaluate a service's quality. In addition to this differential, Cronin and Taylor (1992) suggest that customer satisfaction has a greater impact on purchase intention than does service quality.

Several researchers who study consumer behavior in e-commerce have examined the implications of e-commerce service quality using metrics from the literature on service quality, such as SERVQUAL (DeLone and McLean 2003). Service quality is also important in the context of mobile commerce, since m-service providers need to assess their own service quality to identify the most important variables for further improvements in the future. This makes evaluating the quality of m-commerce services crucial (Turel and Serenko 2006).

Even though the majority of the measures in e-service quality were taken from the service quality literature typically, there are several studies to define the features of e-service quality and develop scales to assess it. Yang and Jun (2002) defined the following as the aspects: security, customization, usability, accessibility, credibility, and reliability. Most of these factors came from earlier studies (Parasuraman et al., 1985) that employed traditional metrics for assessing

service quality. Both utilitarian and hedonic components were used by Bauer et al. (2006) in their evaluation of e-service quality (eTransQual). They found that dependability, responsiveness, procedure, pleasure, and functionality/design were the most important characteristics.

In 2005, Parasuraman et al. conducted an evaluation of the E-S-QUAL, a multiple-item scale intended to quantify service quality. According to Parasuraman et al. (2005), two different scales are needed to evaluate the quality of e-services. The first scale, E-S-QUAL, comprises efficiency, fulfillment, system availability, and privacy; the third and final scale, E-RecS-QUAL, comprises responsiveness, compensation, and contact. Barnes and Vidgen (2001) developed the WebQual scale, which was based on SERVQUAL and reached five areas (tangibles, reliability, responsiveness, assurance, and empathy). Wolfinbarger and Gilly (2003) developed the EtailQ scale, which examined four quality dimensions: customer service, website design, fulfillment/reliability, and security/privacy. This allowed for an assessment of the service quality in e-retailing.

The definition of service quality, according to Parasuraman et al. (1988), is how customers feel about a product or service both during and after the purchasing process. The gap model, which contrasts the customer's view of the service with their expectations, is another name for service quality.

2.2.4 Mobile Service Quality

To measure the level of service in mobile commerce, the M-S-QUAL (Mobile Service Quality) scale was developed. It is divided into two sections: one measures how physical product purchases are made, and the other evaluates at how satisfied customers are with their virtual product purchases made in a mobile environment. The scale is based on the E-S-QUAL and E-RecS-QUAL measures (Huang, E. Y., et al., 2015), which quantify non-routine website encounters and electronic service quality, respectively.

Since the features of the mobile channel are so different from those of the other channels that are already in use, it is necessary to create a separate service quality scale specifically for m-commerce. Such a scale is required since mobile technology forms a new service delivery mode that is unknown to enterprises through its platform. For instance, E-S-QUAL takes into account

the impact of technology on service quality in addition to the services that businesses provide (Huang, E. Y., et al., 2015).

Mobile service providers are always figuring out how to get an edge over their competitors. Therefore, they must improve the quality of their services in addition to offering mobile services in order to continue operating. This is the reason for the importance of service quality measurement (Lu et al., 2009).

2.2.4.1 The M-S-QUAL Dimensions

The M-S-QUAL scale differentiates between the online and offline m-commerce purchasing experiences. When purchasing virtual goods, customers report the experience as smooth as vendors usually save payment details when users create their accounts, eliminating the need for further requests for personal and payment information during subsequent transactions. One of the distinguishing features of virtual product transactions is this simplified procedure (Huang, E.Y., et al., 2015, p.5). However, the payment procedure for physical items typically requires buyers to actively enter their payment details or to double-check the data that is kept in the seller's database. In contrast to the virtual goods buying process, this necessity for explicit information delivery and confirmation is thought to increase consumers' trust and control over the transaction (Huang, E.Y., et al., 2015, p. 35).

This scale found the important variables for various kinds of goods purchasing experiences. The most important variables identified for online product buying were efficiency, privacy, order fulfillment, response, and contact. In contrast, contact, response, order fulfillment, and efficiency were important considerations when purchasing tangible products. By addressing the particular needs of both virtual and physical product buying in m-commerce, these elements were discovered through a methodical scale development approach (Huang, E.Y., et al., 2015, p. 37).

In the context of mobile commerce, each variable is vital in determining how users view the overall quality of mobile services.

1. **Efficiency**

Efficiency evaluates the site's usability and response time. It has to do with how quickly pages load, how easy it is to use the site, and how quickly transactions are completed without crashing or freezing (Huang, E.Y., et al., 2015, p.45, 48).

2. **Contact**

The effectiveness and quality of customer service interactions are referred to as contact. It consists of the capacity of contact center staff to help with issues, the consistency of service agents' advise, and the choice to talk to a live individual in the event of problems (Huang, E.Y., et al., 2015, p.46)

3. **Responsiveness**

This factor assesses how well the website provides assurances and handles product returns. It displays how easily things may be returned and how the site handles issues (Huang, E.Y., et al., 2015, p.46, 48).

4. **Fulfillment**

This refers to the degree to which the site keeps its promises about item availability and order delivery. This includes making sure that things are available as stated and fulfilling orders as promised (Huang, E.Y., et al., 2015, p.46, 48).

5. **Privacy**

This metric gauges how comfortable users are with the site's security and protection of their personal data. This entails preserving information such as credit card numbers and online buying habits and refraining from disclosing personal information to unaffiliated websites (Huang, E.Y., et al., 2015, p.47).

2.2.5 Customer Satisfaction

According to Philip Kotler (2000), customer satisfaction is the degree to which an individual feels satisfied or dissatisfied with the perceived performance (or outcome) of a product in relation to their expectations.

According to Westbrook and Oliver (1991), customer satisfaction may be described as the consumers' post-purchase feelings upon making a transaction. Customer satisfaction is thought to be one of the most significant competitive aspects going forward and will be the greatest gauge of a company's profitability, according to research.

In the mobile phone industry, Santouridis and Trivellas (2010) found that customer satisfaction and service quality are the key elements that drive customer loyalty. They also looked at how customer pleasure mediated the link between customer loyalty and service quality.

Further, according to Westbrook and Oliver (1991), a business's capacity to satisfy its customers will motivate it to enhance its brand and reputation, lower retention rates, and pay closer attention to what customers need. By taking such steps, businesses may strengthen their client ties and build obstacles to switching.

2.3 Empirical Literature

Research conducted by Mr. Lohith K and Ms. S Kavitha (2023), a study entitled "Zomato Customer Satisfaction," The study delves into customer satisfaction with online food delivery applications, specifically focusing on Zomato. It aims to understand consumer satisfaction in the context of the rapidly growing digital economy and the burgeoning popularity of online food delivery platforms. The research employs a mixed-methods approach, integrating both quantitative surveys and qualitative interviews. This approach is designed to collect a broad range of data from various users of online food delivery apps. The study's objective is to contribute to the existing body of knowledge on consumer behavior within the digital food delivery sector and provide useful insights for application developers and service providers aiming to enhance customer satisfaction

Key Findings: The research highlights several key drivers of customer satisfaction in the context of Zomato. It identifies discounts and offers as primary motivators influencing customer orders, suggesting their critical role in attracting and retaining a loyal customer base. Moreover, the study underscores the importance of quality customer support, as indicated by the commendable ratings received by Zomato in this area. The research also emphasizes the significance of the app's user-friendliness, with a large percentage of respondents favoring the app's intuitive design and functionality

Based on the findings, the study recommends that Zomato should continue to strategically invest in attractive discounts and offers to draw in new customers and retain existing ones. Additionally, maintaining and improving the quality of customer support is deemed essential for building trust and confidence among users. The study also suggests that Zomato should persist in enhancing the user experience by refining the app's design and functionality, thereby ensuring it remains user-friendly and convenient. These recommendations are crucial for Zomato to sustain

its competitive edge in the food delivery industry and to continue enhancing overall customer satisfaction

Research conducted by Yusra Yusra and Arawati Agus (2019) in the study entitled "The Influence of Online Food Delivery Service Quality on Customer Satisfaction and Customer Loyalty: The Role of Personal Innovativeness"

The study examines the impact of service quality in online food delivery (OFD) on customer satisfaction and loyalty, considering the role of personal innovativeness. Using a questionnaire based on the Mobile Service Quality (M-S-QUAL) model, the research captures the perceived service quality and its effects on customer satisfaction and loyalty. The study employs a quantitative and cross-sectional approach, analyzing data from customers of various OFD services in Malaysia.

The research identifies significant relationships between perceived service quality, customer satisfaction, and loyalty in the OFD sector. It highlights that higher perceived service quality leads to increased customer satisfaction and loyalty. Furthermore, the study reveals the moderating role of personal innovativeness in these relationships, emphasizing its impact on how customers perceive and react to service quality in the OFD context.

The findings suggest that OFD service providers should focus on enhancing service quality to improve customer satisfaction and loyalty. The study also underscores the importance of considering personal innovativeness in developing strategies for customer engagement and retention in the competitive OFD market. This research contributes to the understanding of service quality dynamics in the evolving online food delivery industry.

2.4 Conceptual framework and Hypothesis of the study

The diagram below shows the five mobile service quality dimensions and customer satisfaction. The dependent variable in the case of this study is customer satisfaction, whereas the independent variables represent the MS QUAL dimensions of mobile service quality.

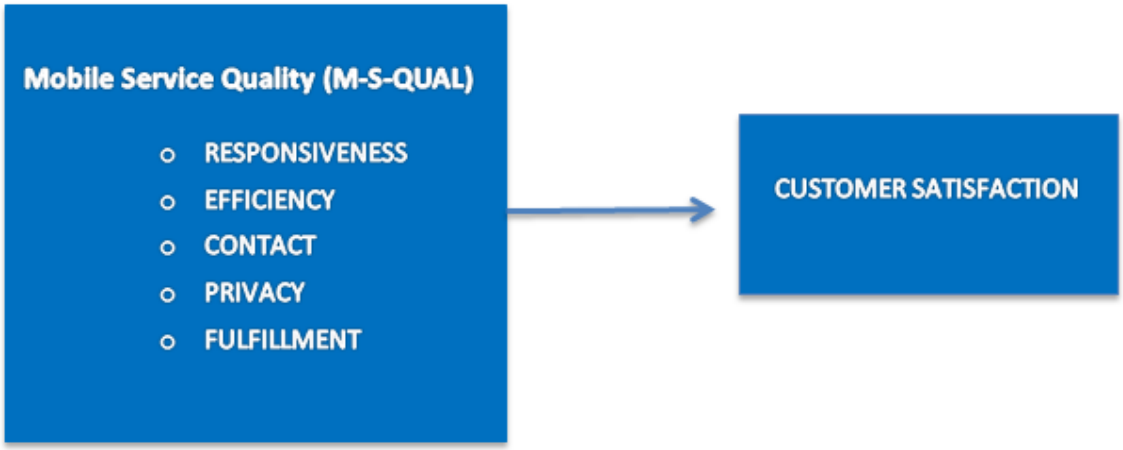


Figure 1: Conceptual Framework; Developed by the researcher, Adapted from M-SQUAL dimensions from (Huang, E.Y.,et al.,2015)

Hypothesis of the study

S/No.	Hypothesis
1	**H1**: Beu's efficiency factors (ease of use and speed of page loading) of Beu's mobile application has a positive and significant impact on customer satisfaction.
2	**H2**: Beu's responsiveness in handling product returns and providing guarantees has a positive and significant impact on customer satisfaction levels.
3	**H3**: The fulfillment process, including delivery timeliness and accuracy of item availability, has a positive and significant impact on customer satisfaction with Beu .
4	**H4**: Beu's commitment to protecting customer data privacy and maintaining confidentiality has a positive and significant impact on customer satisfaction.
5	**H5:** The ability to contact Beu and speak with a live representative has a positive and significant impact on customer satisfaction levels.

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

The primary focus of this chapter is to provide an overview of the research methodology used to investigate the research problem. It covers the research design, source of data, sampling method, data collection procedure, and methods of data analysis about the impact of mobile service Quality on Customer Satisfaction in the case of Beu Delivery.

3.2 Research Approach

The research adopts a quantitative research approach in collecting and analyzing data. According to Kumar (2011) there are overall a lot more alternatives of study designs within quantitative research than within qualitative research. Researchers have been using quantitative techniques study for decades, but it has only lately gained popularity as a research tool. Quantitative research fields are more established and researchers have agreed upon designs, sampling techniques, and so on.

3.3 Research Design

According to Creswell et al. (2017), research design is a framework to conduct research that leads the choice of procedures and approaches for gathering and evaluating data in order to address particular research questions and guarantee the validity, reliability, and application of the study.

A comprehensive understanding of the present state of phenomena may be achieved without the need for intricate manipulations because to the fast collection of large amounts of data by researchers using a descriptive study approach (Creswell, et al. 2017). Churchill and Iacobucci (2005) state that exploratory research focuses on the discovery of concepts and insights, For example, when a company prepares to introduce a new product, explanatory research must be conducted to gauge customer response. To address the problem statement and achieve the study's objectives, the research combines explanatory and descriptive methods.

3.4 Population and sampling

3.4.1. Population

The study is on Beu Delivery, Therefore individual respondents who use Beu Delivery's food delivery service as their service provider are the study's unit of analysis.

3.4.2. Sampling Technique

Convenience non-probability sampling methods are used in this study. The expected large amount of sample unit, time, and cost constraints led to the selection of this approach for drawing a sample from the intended population.

3.4.3 Sample size

As mentioned above, Convenience non-probability sampling from the target population is employed in the study. Therefore, the sample size should be determined by the researcher using both their own judgment and the funds and time employed in similar past research. The sample was selected customers from Beu Delivery, using the below stated formula:

$n= Z^2 (pq)/ e^2$

Where n = required sample size

Z = is a measure of degree of confidence level at 95% (i.e $1.96)^2$

q = Probability of negative response (0.5)

p = is a measure of probability of inclusion positive response (0.5)

e= Tolerable error $(0.05)^2$

$(1.96)^2 (0.5*0.5)/(0.05)^2 = 384.16 \sim 384$

Given that, the sample size for this study is established using the Cochran estimate formula (1963). This formula was chosen because, in addition to having an infinite population, it is the main tool employed by previous research to quantify the decision-making process of consumers. The research questionnaire was distributed to 384 customers of Beu Delivery.

3.5 Data Collection

3.5.1 Sources of data

Secondary data is defined by Churchill and Iacobucci (2005) as data that has already been collected by researchers for earlier studies. However, primary data are produced by researchers with the goal of employing them immediately in their investigation (Churchill and Iacobucci, 2005).In order to provide more accurate results, this study employs both primary and secondary data sources.

3.5.2 Data collection instrument

According to McMillan et al. (2010) and Creswell et al. (2017), a questionnaire is a research tool that consists of a set of questions and other prompts aimed at gathering information from respondents. It is commonly used to collect quantitative data or qualitative insights consistently. The questionnaire consists of demographic inqiuries, M-S-QUAL dimensions set of questions, customer satisfaction questions using the Likert-scale.

3.6 Reliability and Validity

Hair et al. (2010) define reliability as the consistency of several measures of a variable. Internal consistency, which uses a scale to assess the connection between variables, is a popular method for determining reliability. An instrument is designed to evaluate a single idea when all of its items are substantially connected, according to Hair et al. (2010). Cronbach's alpha, a popular technique for assessing an instrument's internal consistency, was used in this experiment. Reliability for exploratory or pilot research should be at least 0.60, according to Staub et al. (2004).

Validity, in the context of Ghauri and Gronhaug (2005), is an explanation of how well the collected data covers the actual subject of study. The fundamental concept of validity is "measure what is intended to be measured" (Field, 2005). Construct validity may be used more easily when a panel of "experts" with deep knowledge of the phenomenon and the measure is involved. Huang, E. Y., et al. (2015) employed an M-S-QUAL questionnaire to evaluate the quality of mobile service, and the questionnaire will be used in this study. Along with

demographic inquiries, the questionnaire includes Likert-scaled M-S-QUAL Dimension questions and customer satisfaction questions.

3.7 Data Analysis

According to Taheri et al. (2016), there are two ways to show a sample illustratively: using graphs or descriptive statistics (numbers). Some people prefer graphs because they are easier to understand, while others prefer descriptive statistics because they can be quantified. This study uses multiple linear regression analysis, a descriptive statistical approach, to analyze the data. All of the gathered data will be entered into the Statistical Package for the Social Sciences (SPSS). Correlation analysis is another type of statistical analysis that is employed.

3.8 Ethical consideration

The appropriate consideration will be given to ethical issues in this study, such as willingness and confidentiality. The research goal and significance will be communicated to research participants in advance to guarantee that the study will be ethically acceptable. Furthermore, participants are assured that their answers will remain private and be used just for study.

CHAPTER FOUR: RESULTS AND DISCUSSION

4.1 Chapter Overview

This chapter delves into a quantitative analysis examining the impact of mobile service quality on customer satisfaction, focusing on Beu Delivery. The study was conducted using IBM SPSS Statistics 26.0, employing descriptive statistics to profile respondents and summarize their responses. Pearson's correlation and multiple linear regression explored relationships between independent and dependent variables.

4.2 Respondents Response Rate

Out of 384 distributed questionnaires, 38 were excluded due to incomplete responses. The remaining 346 completed questionnaires represent a response rate of 90.10%, The response rate is adequate and is used for drawing meaningful conclusions.

4.3 Findings on respondents profile (Demographic profile of respondents)

The demographic data collected includes demographic information such as gender, age, employment status, income, and ordering frequency, studying this aids in compiling basic information from each respondent.

4.3.1 Gender of respondents

Out of 346 participants, 169 are female, which represents 41.8% of the sample. The remaining 177 participants are male, making up 58.2% of the sample.

Table 1: Gender of Respondents

Gender			
		Frequency	Percent
Valid	Female	169	41.8%
	Male	177	58.2%
	Total	346	100.00%

Source: Own Survey, 2024

4.3.2 Respondents' Age Group

Concerning Respondents' Age Group, the study shows that about 37.5% of respondents' age is between the range of 24-26 years; about 34.9% of respondents' age is between the range of 21-23 years, while around 26.5 % of respondent's age is over 26 years and lastly the age group 18-20 has the least number of respondends which make up 1.1% of the study.

Table 2: Age of Respondents

Age

		Frequency	Percent
Valid	18-20	3	1.1%
	21-23	121	34.9%
	24-26	130	37.5%
	Over 26	92	26.5%
	Total	346	100.00%

Source: Own Survey, 2024

4.3.3 Employment Status of Respondents

The data presents the employment status distribution of a sample of 346 individuals. The majority, 65.6%, are employed, while 21.7% are self-employed. Unemployed individuals make up 11.3% of the sample, and students constitute the smallest group at 1.4%.

Table 3: Employment status of respondents

Employment Status			
		Frequency	Percent
Valid	Employed	227	65.6%
	Self-employed	75	21.7%
	Unemployed	39	11.3%
	Student	5	1.4%
	Total	346	100.00%

Source: Own Survey , 2024

4.3.4 Income of Respondents in ETB

The data shows the income distribution in Ethiopian Birr (ETB) for a sample of 346 individuals. The largest group, earning between 10,000 and 15,000 ETB, comprises 34.1% of the sample. Those earning between 5,000 and 10,000 ETB make up 25.4%, while 19.4% earn between 15,000 and 25,000 ETB. Individuals earning less than 5,000 ETB account for 10.7%, and those earning more than 25,000 ETB constitute 10.4%.

Table 4: Income of respondents

Income in ETB			
		Frequency	Percent
Valid	<5000	37	10.7%
	(5,000-10,000)	88	25.4%
	(10,000-15,000)	118	34.1%
	(15,000-25,000)	67	19.4%
	>25,000	36	10.4%
	Total	346	100.00%

Source: Own Survey , 2024

4.3.4 Frequency of use

The study below finds out the frequency in which respondents use or order Food directely from Beu's Mobile Application. The options are Ocassionally, Rarely and Frequently. The majority of Beu Delivery customers (81%) order food either occasionally or rarely, with the largest group being occasional users (47%). Only 19% of the respondents order food frequently.

Table 5: Frequency of Use

How often do you order from Beu Delivery			
		Frequency	Percent
Valid	Ocassionally	162	47%
	Rarely	119	34%
	Frequently	65	19%
	Total	346	100.00%

Source: Own Survey, 2024

4.4 Cronbach's Reliability Test

The Cronbach's alpha coefficient was used to assess the instrument used in the study for internal consistency. This statistical technique was developed by Lee Cronbach in 1951 and evaluates a questionnaire's internal consistency to determine its reliability. Reliability, in the words of Fraenkel and Wallen (2003), is the extent to which a test is devoid of measurement mistakes and accurately represents consistency and repeatability across time. A test that has fewer errors is more trustworthy. The Cronbach's alpha coefficient cannot be used if the measurement scales for each item on the instrument are different. According to Masdia Masri (2009), a dependability coefficient of 1.00 is optimal. Generally speaking, variables with coefficients between 0.60 and 0.80 are considered acceptable, whereas those with values less than 0.60 are considered unacceptable.

From the study, the Cronbach's alpha values for the scales range from 0.693 to 0.874 and the Cronbach's Alpha based on standardized items range from 0.695 to 0.874.

Table 6: Cronbach's Reliability Test

Reliability Statistics			
	Cronbach's Alpha	**Cronbach's Alpha Based on Standardized Items**	**N of Items**
Efficiency	0.874	0.874	3
Fulfillment	0.724	0.739	3
Privacy	0.727	0.728	2
Contact	0.719	0.724	3
Responsiveness	0.693	0.695	2
Customer Satisfcation	0.716	0.721	5

Source: Own Survey, 2024

4.5 Correlation Analysis

The correlation coefficient, which varies from -1 to 1, indicates the linear connection between two variables. Values around 0 suggest a poor or nonexistent linear correlation, whereas values

near ±1 show a strong relationship between the variables (Robinson et al., 2009). One helpful tool for determining the relationship between data recorded on an ordinal scale is the Pearson correlation coefficient. In this study, the Pearson correlation coefficient was employed to determine the relationships between the variables. Correlation is a commonly used metric to quantify the size of an impact; values of ±0.1 indicate a little effect, ±0.3 a medium effect, and ±0.5 a large effect (Domingo et al., 2020).

Table 7: Correlation between independent and dependent variables

Correlations

		Efficiency	Fulfillment	Privacy	Contact	Responsiveness	Customer_Satisfaction
Efficiency	Pearson Correlation	1	.023	.078	.036	.010	.021
	Sig. (2-tailed)		.670	.149	.510	.860	.694
	N	346	346	346	346	346	346
Fulfillment	Pearson Correlation	.023	1	.030	.133*	.014	.033
	Sig. (2-tailed)	.670		.574	.013	.795	.543
	N	346	346	346	346	346	346
Privacy	Pearson Correlation	.078	.030	1	.129*	-.028	.079
	Sig. (2-tailed)	.149	.574		.016	.609	.144
	N	346	346	346	346	346	346
Contact	Pearson Correlation	.036	.133*	.129*	1	.076	.056
	Sig. (2-tailed)	.510	.013	.016		.158	.303
	N	346	346	346	346	346	346
Responsiveness	Pearson Correlation	.010	.014	-.028	.076	1	.149**
	Sig. (2-tailed)	.860	.795	.609	.158		.005
	N	346	346	346	346	346	346
Customer_Satisfaction	Pearson Correlation	.021	.033	.079	.056	.149**	1
	Sig. (2-tailed)	.694	.543	.144	.303	.005	
	N	346	346	346	346	346	346

*. Correlation is significant at the 0.05 level (2-tailed).

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

Source: Own Survey, 2024

The correlation analysis between the six variables namely Efficiency, Fulfillment, Privacy, Contact, Responsiveness, and Customer Satisfaction, reveals a landscape where most relationships are positive and statistically insignificant. Efficiency, for instance, shows minor correlations with all other variables, with Pearson coefficients ranging from .010 to .078 and p-

values well above the significance threshold of .05, indicating no meaningful linear relationship with the other factors. Similarly, Customer Satisfaction, though positively correlated with Responsiveness (.149, p = .005), does not show significant correlations with other variables. This particular positive correlation suggests that improvements in responsiveness might lead to higher customer satisfaction, albeit the strength of this relationship remains modest.

Notably, Fulfillment and Privacy both exhibit significant but weak positive correlations with Contact (.133, p = .013 and .129, p = .016, respectively), implying that better fulfillment and privacy measures might slightly enhance the quality of contact.

To conclude responsiveness is the most influential factor on customer satisfaction among those analyzed, while contact appears to be an important intermediary factor related to fulfillment and privacy.

4.6 Regression Analysis

A multiple linear regression analysis was performed to determine the most significant dimensions for the dependent variable, customer satisfaction, and the independent variables, efficiency, fulfillment, contact, privacy, and responsiveness. This was done because the researcher is unsure of which variables will produce the most accurate prediction equation.
The main goal is to find out if integrating the previously mentioned variables may lead to a more accurate prediction of customer satisfaction. In order to make sure that multi-collinearity is not an issue, it is important to evaluate the correlations between the predictor variables prior to doing regressions.

4.6.1 Multi Collinearity Test

Ho (2006) states that when there is a significant connection between the independent and predictor variables, multicollinearity takes place. To determine if the independent variables in a model are similar to one another, a multicollinearity test is necessary. Multicollinearity in a regression study indicates that redundant information is being employed in the model, which can lead to unstable regression coefficient estimations very fast, according to Raykov and Marcoulides (2006). In the event that the independent variables are comparable, there will be a

significant correlation. Multicollinearity tests were also performed to avoid making poor choices on the partial effect of independent factors on the dependent variable.

Kline (2005) gives an example of how tolerance and its reciprocal, the variance inflation factor (VIF), might be used to find multicollinearity. Multicollinearity may be a problem if the tolerance value is less than 0.1 and the VIF value is 10 or higher at the same time. Below shows The collinearity tolerance and statistics VIF against the independent variables.

Table 8: Multicollinerity test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	2.897	.302		9.580	.000		
	Efficiency	.009	.039	.012	.227	.821	.993	1.007
	Fulfillment	.018	.040	.024	.446	.656	.982	1.018
	Privacy	.059	.041	.077	1.429	.154	.976	1.024
	Contact	.028	.050	.031	.564	.573	.960	1.041
	Responsiveness	.088	.032	.148	2.768	.006	.993	1.007

a. Dependent Variable: Customer_Satisfaction

Source: Own Survey, 2024

As shown in the table of coefficients, the VIF values for the independent variables are 1.007, 1.018, 1.024, 1.024, 1.041, and 1.007. These values are very close to 1, indicating that multicollinearity is unlikely to be a problem and that each predictor variable is largely independent of the others. This supports the reliability of the regression analysis results, as the predictors do not excessively overlap in the information they provide.

Among the variables studied, Responsiveness has the highest standardized coefficient (Beta = 0.148), indicating it has the strongest relative impact on Customer Satisfaction. The other variables namely Efficiency, Fulfillment, Privacy, and Contact, do not show significant impacts on Customer Satisfaction within this model. The low VIF values confirm that multicollinearity is not an issue in this regression model, further validating the results.

4.6.2 Normality Test

A statistical test called a normality test is used to determine whether a collection of data is normally distributed or not. A bell-shaped curve that is symmetric around the mean is known as

a normal distribution. A normal distribution has an mean, median, and mode. The normality hypothesis was tested using skewness and kurtosis values. The data gathering premise of normality may be verified using these two tests. (Newsom, 2005) states that the absolute values of skewness and kurtosis must be less than or equal to 2 and 3, respectively, in order for the criteria of normalcy to be met. The skewness and kurtosis values of the gathered data were within these allowed bounds. (Pallant, 2011) states that skewness relates to the distribution's symmetry whereas kurtosis indicates how peaked the distribution is. A distribution is deemed normal when the skewness and kurtosis parameters are both equal to zero.

Table 9: Normality Descriptive Statistics

Descriptive Statistics

	N	Mean	Skewness		Kurtosis	
				Std. Error		Std. Error
Customer_Satisfaction	346	3.5803	-.568	.131	1.730	.261
Responsiveness	346	3.0477	-.138	.131	-.425	.261
Contact	346	3.7871	-.477	.131	.183	.261
Privacy	346	3.6214	.020	.131	-.325	.261
Fulfillment	346	3.2206	-.277	.131	.259	.261
Efficiency	346	4.2977	-1.066	.131	.416	.261

Source: Own Survey, 2024

Additionally, The normality P-P plot distribution figure, which indicates that the data demonstrates that there was no significant violation of the normality assumption. The histogram below has a bell shape and the residuals followed a straight line.

Figure 2: Normal P-P Plot

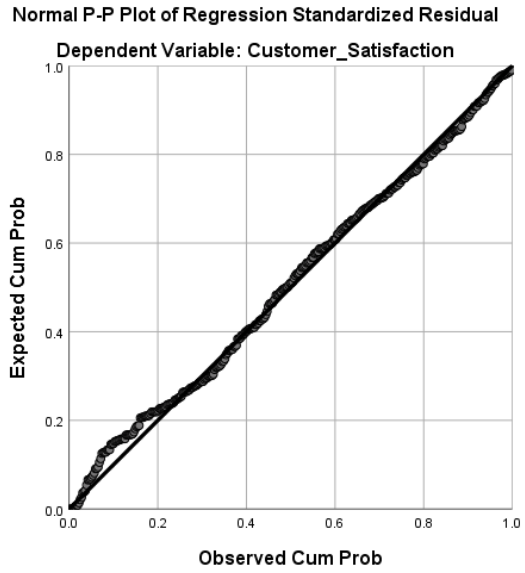
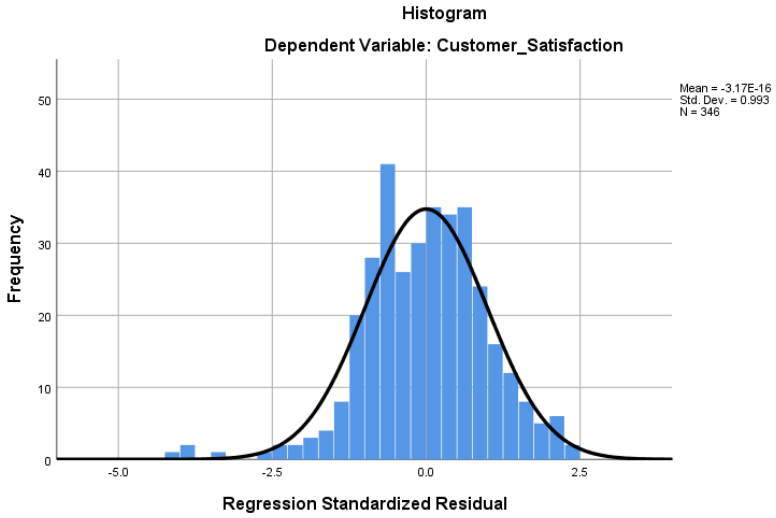


Figure 3: Histogram



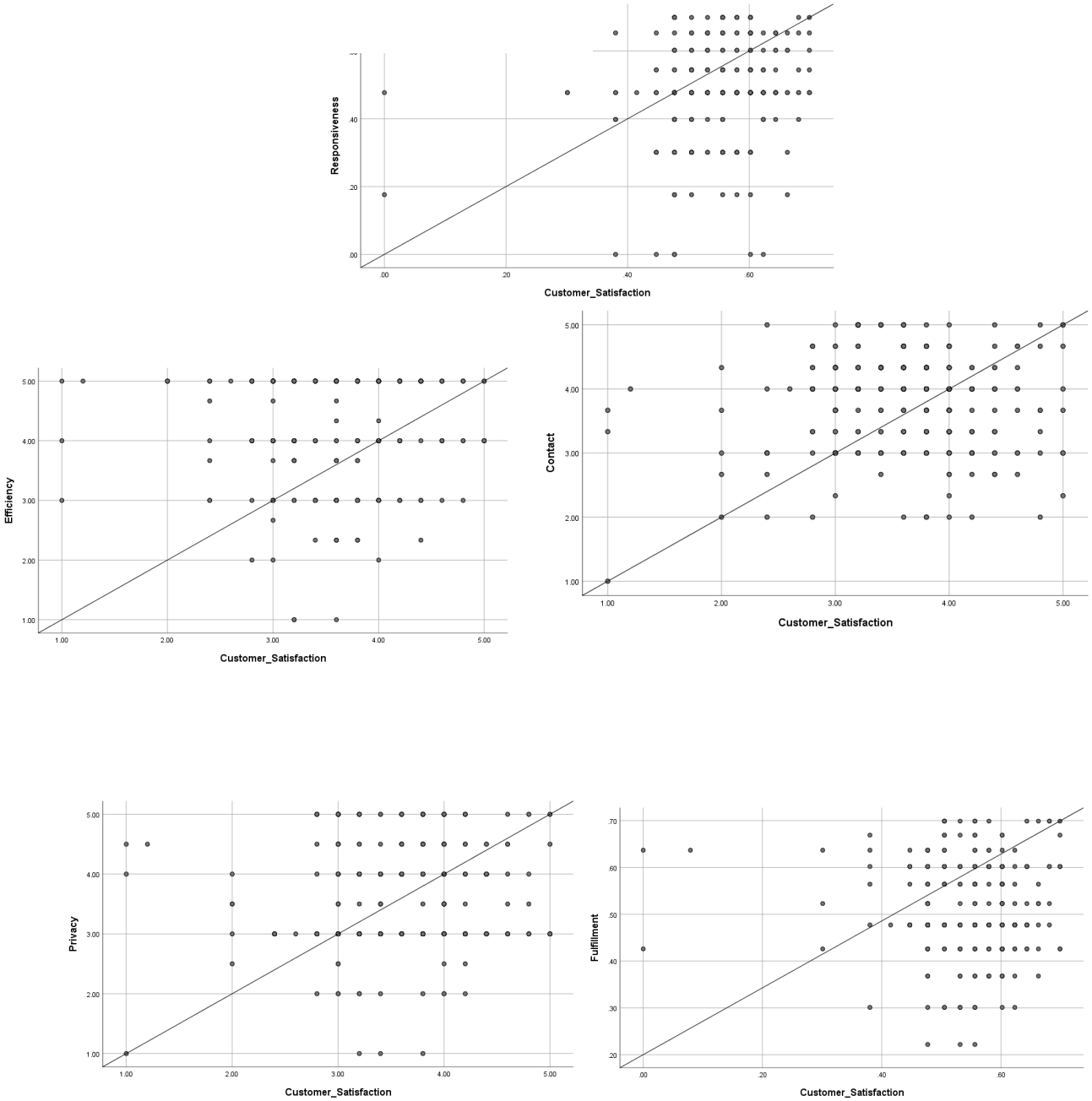
Source: Own Survey, 2024

4.6.3 Linearity Test

The concept of "linearity" in statistics describes the presumption that there is a linear connection between the independent and dependent variables. As the independent variables vary, the dependent variable follows a straight line. Regression analysis is one of the numerous statistical techniques that heavily relies on the linearity assumption. There are several methods for

evaluating the linearity assumption. A popular method is to plot each independent variable against the dependent variable in a scatterplot. The linearity assumption is satisfied if the scatterplot's points line up in a straight line. The results demonstrate a consistent relationship across most cases, with some indicating a linear relationship.

Figure 4: Linearity Graphs

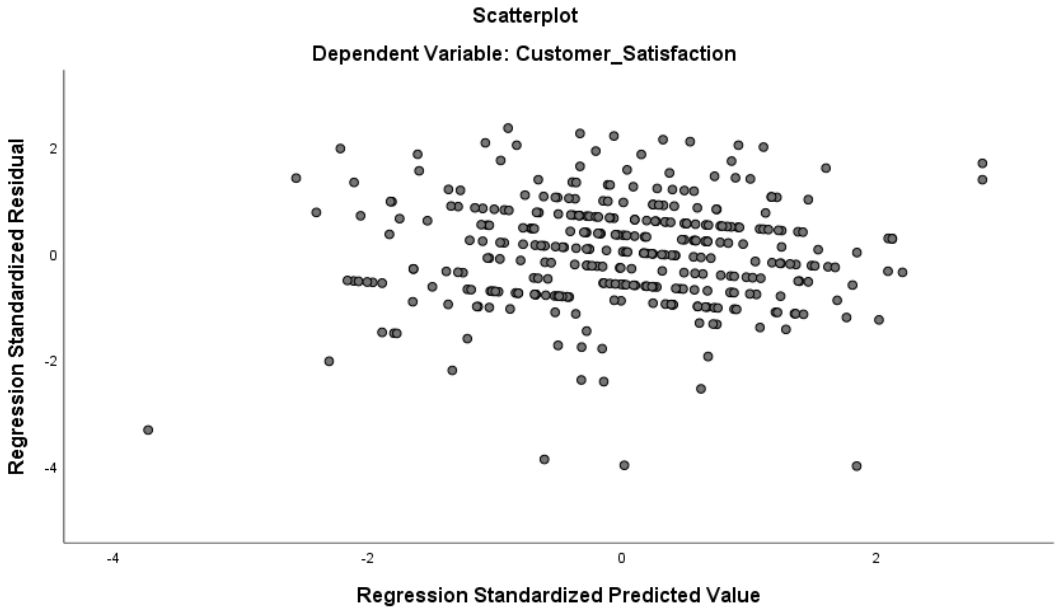


Source: Own Survey , 2024

4.6.4 Homoscedacity Test

The statistical assumption known as homoscedasticity states that the variance of a dependent variable remains constant for all values of the independent variable or variables. Stated differently, all values of the independent variable(s) should have the same spread of the residuals, which is the difference between the observed values of the dependent variable and the predicted values from the model. Assumptions can be verified with a scatter plot diagram. The residuals appear to be spread fairly evenly across the range of predicted values. There are no obvious patterns, such as a funnel shape (increasing or decreasing spread) or a clear curve. An arbitrary group of dots is displayed on the graph. As a result, homoscedasticity describes the model.

Figure 5: Homoscedasticity Scatterplot



Source: Own Survey, 2024

4.6.5 Autocorrelation Test

There is no autocorrelation when the Durbin-Watson statistic is 2; complete positive or negative autocorrelation is present when it is 0 or 4, respectively. The range of values indicates no autocorrelation, with a Durbin-Watson statistic of 1.942.

Table 10: Autocorrelation

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.176[a]	.031	.017	.64779	1.942

a. Predictors: (Constant), Responsiveness, Efficiency, Fulfillment, Privacy, Contact

b. Dependent Variable: Customer_Satisfaction

Source: Own Survey, 2024

Evaluating the model

Table 11: Model Summary

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.176[a]	.031	.017	.64779

a. Predictors: (Constant), Responsiveness, Efficiency, Fulfillment, Privacy, Contact

The model shows that the predictors (Efficiency, Fulfillment, Privacy, Contact, and Responsiveness) collectively explain a small proportion (3.1%) of the variability in Customer Satisfaction. The weak R and low R^2 values suggest that the model does not strongly predict Customer Satisfaction based on these variables. Additionally, the adjusted R Square, accounting for the number of predictors, confirms this weak predictive power.

Why this might be:

- Customer satisfaction being a multifaceted construct influenced by various subjective and objective factors. The predictors included in the current model (responsiveness, efficiency, fulfillment, contact, and privacy) represent only a subset of the potential determinants of customer satisfaction.
- Other factors factors not included in this model might better explain Customer Satisfaction such as personal experiences, individual expectations, and emotional responses play significant roles and are not captured in this model. This high variability

can result in a lower R-squared value, as the model cannot account for all individual differences.

- The assumption of linear relationships between predictors and customer satisfaction might not fully capture the complexities of these relationships.

Despite the low R-squared value, the model provides valuable insights into the predictors of customer satisfaction. The significant predictors identified can be used to inform strategies for improving customer satisfaction.

ANOVA

Table 11: Anova

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.554	5	.911	2.170	.057[b]
	Residual	142.673	340	.420		
	Total	147.226	345			

a. Dependent Variable: Customer_Satisfaction

b. Predictors: (Constant), Responsiveness, Efficiency, Fulfillment, Privacy, Contact

Source: Own Survey, 2024

The F-statistic of 2.170 with a p-value of 0.057 suggests that the overall regression model is marginally not statistically significant at the 0.05 level. This means that there is not enough evidence to conclude that the model explains a significant portion of the variance in Customer Satisfaction.

Evaluating the Independent Variables

Table 12: Coefficients of Independent Variables

Coefficients[a]

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	Collinearity Statistics

		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.897	.302		9.580	.000		
	Efficiency	.009	.039	.012	.227	.821	.993	1.007
	Fulfillment	.018	.040	.024	.446	.656	.982	1.018
	Privacy	.059	.041	.077	1.429	.154	.976	1.024
	Contact	.028	.050	.031	.564	.573	.960	1.041
	Responsiveness	.088	.032	.148	2.768	.006	.993	1.007

a. Dependent Variable: Customer_Satisfaction

Source: Own Survey, 2024

4.7 Hypothesis Testing

Table 13: Hypothesis Test Summary

S/No.	Hypothesis	Beta Value	Sig.	Direction of Relationship	Result
1	**H1**: Beu's efficiency factors (ease of use and speed of page loading) of Beu's mobile application has a positive and significant impact on customer satisfaction.	0.012	0.821	+	Reject null hypothesis
2	**H2**: Beu's responsiveness in handling product returns and providing guarantees has a positive and significant impact on customer satisfaction levels.	0.148	0.006	+	Fail to reject null hypothesis
3	**H3**: The fulfillment process, including delivery timeliness and accuracy of item availability, has a positive and significant impact on customer satisfaction with Beu.	0.024	0.656	+	Reject null hypothesis
4	**H4**: Beu's commitment to protecting customer data privacy and maintaining confidentiality has a positive and significant impact on customer satisfaction.	0.077	0.154	+	Reject null hypothesis
5	**H5:** The ability to contact Beu and speak with a live representative has a positive and significant impact on customer satisfaction levels.	0.031	0.573	+	Reject null hypothesis

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

For this section of the study, the conclusion and recommendations are derived from the findings. This part interprets the results, providing implications that inform specific recommendations.

5.1 Summary of research findings

- Responsiveness such as Handling product returns and providing guarantees has a positive and significant impact on customer satisfaction levels. This highlights the importance of effective customer service and quick resolution of issues to enhance customer satisfaction.
- Factors such as ease of use and speed of page loading of Beu's mobile application have a positive but insignificant impact on customer satisfaction. This suggests that while these factors are important, they are not the most critical determinants of satisfaction in this context.
- The fulfillment process, including delivery timeliness and accuracy of item availability, has a positive but insignificant impact on customer satisfaction. This indicates that although timely and accurate deliveries are valued, they do not strongly influence overall satisfaction.
- Beu's commitment to protecting customer data privacy and maintaining confidentiality has a positive but insignificant impact on customer satisfaction. This underscores that while privacy is essential, it may not be the primary driver of satisfaction.
- The ability to contact Beu and speak with a live representative has a positive but insignificant impact on customer satisfaction levels. This implies that while direct contact is beneficial, it is not a major factor in customer satisfaction.

5.2 Conclusion

The primary goal of this study was to investigate the impact of food delivery mobile service quality on customer satisfaction, using the M-S-QUAL dimensions. Data was collected from 346

Beu Delivery customers through a quantitative methodology and analyzed using descriptive and inferential statistics, including correlation and multiple linear regressions.

The findings indicate that the MSQUAL variable “responsiveness” such as handling product returns and providing guarantees has a positive and significant impact on customer satisfaction. This result highlights the critical role of effective customer service and quick resolution of issues in enhancing customer satisfaction. In a competitive market, the ability to efficiently manage order returns and provide reliable guarantees can differentiate a service provider from its competitors. Customers place a high value on knowing that their concerns will be addressed promptly and satisfactorily, which builds trust and loyalty. For Beu Delivery, this means prioritizing customer interactions and ensuring that customer service representatives are well-trained to handle returns and complaints efficiently.

By effectively managing product returns and providing meaningful guarantees, Beu Delivery can improve its reputation and customer trust. Customers are more likely to remain loyal and continue using the service when they feel their concerns are heard and resolved promptly. This aspect of service quality is essential for maintaining long-term customer relationships and achieving high levels of customer satisfaction.

Other factors like efficiency, fulfillment, privacy, and contact, although positively related to satisfaction, were found to have an insignificant impact individually. This suggests that customer satisfaction in the context of mobile food delivery services is influenced by a combination of various factors rather than any single dimension.

The correlation analysis also revealed significant correlations between fulfillment and contact, as well as privacy and contact. These findings highlight areas where targeted improvements could be beneficial, such as enhancing the contact process to marginally influence perceptions of fulfillment and privacy. However, the overall weak correlations suggest that these variables are largely independent of each other, indicating the complexity and multifaceted nature of customer satisfaction.

The model showed a low R-squared value, indicating that the predictors did not fully explain customer satisfaction, the significant predictors identified provide valuable insights into the factors that may influence customer satisfaction. These insights can be used to inform strategies for improving customer satisfaction.

In conclusion, responsiveness, particularly in handling returns and providing guarantees, plays a pivotal role in enhancing customer satisfaction for Beu Delivery. This underscores the need for continuous improvement in customer service processes to ensure quick and effective resolution of customer issues. By focusing on these areas, Beu Delivery can significantly improve its customer satisfaction levels and build a more loyal customer base.

5.3 Recommendations

To significantly enhance customer satisfaction, it is crucial for Beu Delivery to focus on improving the efficiency and effectiveness of its customer service, particularly in handling returns an example could be returning wrong food orders and providing guarantees such as using packaging that will keep the food warm for long hours, using fresh ingredients can provide guarantee to the customer. A comprehensive approach that includes targeted training, clear policy implementation, and continuous improvement based on customer feedback will address these critical areas.

First, developing comprehensive training programs for customer service representatives is essential. These programs should cover all aspects of customer service, with a special focus on handling returns and guarantees. Practical scenarios and role-playing exercises can prepare representatives for real-world situations. Empowering representatives to make decisions quickly, such as approving returns or offering compensations without managerial approval, will further enhance responsiveness and customer satisfaction.

Second, implementing clear and concise policies for returns and guarantees is vital. These policies should be effectively communicated to customers at every stage of the transaction, from the initial order to post-delivery, through the app and follow-up contact. Simplifying the return

process to make it hassle-free for customers, such as providing prepaid return labels and quick processing of refunds or replacements, will improve their experience and satisfaction.

Lastly, continuous improvement based on customer feedback is crucial. Regularly gathering feedback from customers who have gone through the return process can help identify pain points and areas for improvement. This feedback should be used to refine and enhance policies and procedures, ensuring that the company adapts to customer needs and continually improves service quality.

By focusing on these strategies, Beu Delivery can significantly enhance its responsiveness, leading to higher levels of customer satisfaction and loyalty.

5.4 Recommendations for Further Research

For future studies, the following recommendations are suggested:

1. This study serves as a preliminary exploration of the issue, constrained by time and focusing solely on Beu Delivery customers. Future research should broaden the scope to include additional delivery service providers and regions, which could offer a more comprehensive understanding of customer satisfaction in relation to mobile service quality.
2. It is recommended that next studies endeavor to incorporate additional relevant variables and investigate non-linear models in order to improve the model's capacity for explanation.
3. The current research is limited to Beu Delivery, an online food delivery service provider operating exclusively in Addis Ababa. Expanding the study to encompass various service providers and different geographical areas would provide richer insights into customer satisfaction across diverse contexts.
4. This study utilized a quantitative approach to gather data. To gain a deeper and more nuanced understanding of the factors impacting customer satisfaction, future research should incorporate qualitative methods.

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Appendix

DRAFT QUESTIONNAIRE

Questionnaire to be filled by the selected customers of Beu Delivery

Dear valued respondent,

I am a student conducting a study on "The Impact Of Food Delivery Mobile Service Quality On Customer Satisfaction: The Case of Beu Delivery" at Addis Ababa University, School of Commerce studying a graduate program in Digital Marketing and E-commerce. You're invited to participate in a research study.

This is to kindly request to be accorded a few minutes of your time to conduct the questionnaire. The information obtained will be use exclusively for academic purposes and the findings of the study shall upon your request be made available to you. All information collected during this study will be kept confidential. In the case of any further questions about the research, please do not hesitate to contact through this Email: Filagotyitna@gmail.com

Thank you in advance for your valued contribution to my academic pursuit.

Part One: General Information

Please Note: This questionnaire is Anonymous. For the following questions, please choose one answer that describes your current situation and mark it (√) .

1. Gender

Male [ ] Female [ ]

2. Age

18-20 years [ ] 21-23 years [ ] 24-26 years [ ] above 26 years [ ]

3. Employment Status

Student [ ] Unemployed [ ] Employed [ ] Self- employed [ ]

5. Income in ETB

<5,000 [ ] 5,000-10,000 [ ] 10,000-15,000 [ ] 15,000- 25,000 [ ] >25,000 [ ]

6. How often do you order from Beu?

Occasionally [ ] Frequently [ ] Rarely [ ]

Part Two: Questions related to mobile service quality and customer satisfaction

Please note the meaning of the following abbreviations:

SA- Strongly Agree, A- Agree, N- Neutral, D- Disagree, SD- Strongly disagree

For the following questions, please tick (√) only on one of the alternatives for each question

Factors	**Items**	**Scale**				
		SD	**D**	**N**	**A**	**SA**
Efficiency	The mobile application enables me to access it quickly without it crashing or closing					
	The mobile application has an easy-to-use interface					
	The mobile application loads its pages fast					
Fulfillment	The mobile application quickly delivers what I ordered					
	It delivers when promised					
	This mobile platform delivers products within an acceptable time frame					
Privacy	The mobile application does not share my personal information with other mobile apps					
	The mobile application protects my mobile shopping activity information					
Contact	The customer support team are polite, friendly, and are always available					

	The mobile application offers me the ability to speak to a live representative if there is a problem					
	The platform provides a telephone number to reach the company					
Responsiveness	This mobile site handles product returns well, (eg. wrong food orders)					
	It offers me a meaningful guarantee					
Customer Satisfaction	I am satisfied with how I can navigate through the Beu Delivery app to place my food order					
	I am satified on how easily I can find contact information or customer support options within the Beu Delivery app					
	I am satisfied with how I can promptly address any issues or complaints I had during the ordering or delivery process					
	I am satisfied with the overall fulfillment of your food order, including packaging and presentation upon delivery					
	I am satisfied with how Beu Delivery adequately protects my personal information and privacy					