

**THE EFFECTS OF SERVICE QUALITY ON CUSTOMER
SATISFACTION:**

THE CASE OF ETHIOPIAN AIRLINES CARGO IMPORT

Prepared by: Million Tsegaye

**A Thesis submitted to Addis Ababa University
School of Commerce**

**Graduate Studies Program in partial fulfillment of the requirements for the
Masters of Arts Degree in Marketing Management**

Advisor: Rakshit Negi (PhD)

**Addis Ababa
JUNE 2017**

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE
DEPARTMENT OF MARKETING MANAGEMENT

The Effect of Service Quality on Customer satisfaction
The case of Ethiopian Airlines Cargo Import

Prepared by: - Million Tsegaye

APPROVED BY:

Dr. Rakshit Negi

ADVISOR

SIGNATUR

DATE

EXAMINERS:

INTERNAL EXAMINER

SIGNATURE

DATE

EXTERNAL EXAMINER

SIGNATURE

DATE

Declaration

I, the under signed, declare that this thesis is my original work and has not been presented for any degree in this or any other University and that all sources of materials used for the thesis have been duly acknowledged.

By: Million Tsegaye

Signature _____

Date _____

Statement of Certificate

This is to certify that Million Tsegaye has carried out his research work on the topic entitled “The Effect of Service Quality on Customer Satisfaction: the case of Ethiopian Airlines cargo import” for the partial fulfillment of masters of Art in Marketing management at Addis Ababa University, School of Commerce. This study is an original work and not submitted earlier for any degree either at this University or any other University and is suitable for submission of Masters Degree in Marketing Management.

Advisor’s Name

Date & Signature

Acknowledgment

First and for most I would like to thank God the almighty for being my guiding light and strength throughout my life without whom the completion of this paper wouldn't be possible. Secondly my deepest and sincerest appreciation and gratitude goes to my advisor Dr Rakshit Negi for his priceless suggestions, assistance and guidance throughout the completion of this research paper. I would also like to thank the customers of Ethiopian Airlines cargo import section for participating in this research work. Last but not least, I would like to extend my deepest love, respect and appreciation to my families and friends for their support, understanding and encouragement. Thank you all.

Contents

Acknowledgment	i
Acronyms	viii
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the study	1
1.1.1 Background of Ethiopian Airlines (Cargo)	3
1.2 Statement of the Problem	4
1.3 Basic Research Questions	5
1.4 Objectives of the Study	5
1.4.1 General Objective	5
1.4.2 Specific Research Objectives	6
1.5 Definition of terms	6
1.5.1 Conceptual Definition of terms	6
1.5.2 Operational definition of terms	7
1.6 Significance of the Study	8
1.7 Scope and Delimitations of the Study	8
1.8 Organization of the Study	9
CHAPTER TWO	10
LITERATURE REVIEW	10
2.1 Theoretical Review	10
2.1.1 Definition of Service	10
2.1.2 Integrated Service Management (the service mix)	11
2.1.3 The Characteristics of Service	12
2.1.4 The Service–Profit Chain	15
2.1.5 Service Quality	16
2.1.6 The Gap Model	19
2.1.7 SERVQUAL	22
2.1.8 Customer Expectation, Perception and Satisfaction	23

2.2 Empirical Review	26
2.2.1 The Relationship between Service Quality and Customer Satisfaction	26
2.2.2 Measermment of Service Quality	27
2.3 Conceptual Framework of the Study	28
CHAPTER THREE	30
RESEARCH DESIGN AND METHODOLOGY	30
3.1 Research Approach	30
3.2 Research Design	30
3.3 Source of Data.....	31
3.4 Sampling Design, Population and Sampling Technique	31
3.4.1 Sampling Design	31
3.4.2 Population	31
3.4.3 Sampling Technique	32
3.4.4 Sample size.....	32
3.5 Data collection Instrument	33
3.6 Data collection procedure.....	34
3.7 Data analysis Techniques	34
3.8 Ethical Considerations.....	34
3.9 Reliability.....	35
3.10 Validity	36
CHAPTER FOUR	37
DATA ANALYSIS AND DISCUSSION	37
4.1. Introduction	37
4.2. Descriptive statistics	37
4.2.1. General profile of the respondents	37
4.2.2 Normality Test.....	39
4.2.2. Service quality dimensions.....	40
<i>Source- own result</i>	44
4.2.3. Description of overall customer satisfaction	44
4.2.4 Overall customer satisfaction on Personal vs. Company cargo importers	45
4.3 Correlation Analysis	46
4.4 Regression analysis	47

4.4.1 Simple regression of Tangibility	49
4.4.2 Simple Regression of Reliability	50
4.4.3 Simple Regression of Responsiveness.....	50
4.4.4 Simple Regression of Assurance	51
4.4.5 Simple Regression of Empathy.....	52
4.4.6 The effect of service dimensions on overall customer satisfaction.....	53
4.5 Hypothesis Testing	55
CHAPTER FIVE	56
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS	56
5.1 Summary of Findings.....	56
5.2 Conclusion	57
5.3 Recommendation.....	58
5.4 Limitation of the Study.....	59
5.5 Future area of research.....	59
References.....	61

APPENDIX A: - Questioner distributed for import customers	66
APPENDIX B: - frequency distribution of the independent variables	73

Table of Figures

Figure 2.1:- three types of marketing in service.....	15
Figure 2.2- Gap model.....	21
Figure 2.3:- Factors that influence customer expectation of service.....	25
Figure 2.4:- conceptual farm work of the study.....	28

Table of Tables

Table 2.1:- SERVQUAL model.....	23
Table 2.2:- Reliability statistics.....	35
Table 2.3:- Demographic Profile of respondents.....	38
Table 2.4:- Skewness & Kurtosis.....	39
Table 2.5:- Tangibility Statistics.....	41
Table 2.6:- Reliability statistics.....	41
Table 2.7:- Responsiveness Statistics.....	42
Table 2.8:- Assurance Statistics.....	43
Table 2.8:- Empathy Statistics.....	43
Table 4.8:- Frequency distribution of overall customer satisfaction.....	44
Table 4.9:- Overall customer satisfaction statistics.....	44
Table 4.10:- Overall customer satisfaction on personal and company cargo delivery.....	45
Table 4.11:- Descriptive statistics for grand mean.....	46
Table 4.12:- Correlation value of coefficient.....	46
Table 4.13:- Correlation matrix.....	47
Table 4.14:- Regression estimate multi co-linearity statistics.....	48

Table 4.15:- simple regression of Tangibility and customer satisfaction.....	49
Table 4.16:- simple regression of Reliability and customer satisfaction.....	50
Table 4.17:- simple regression of Responsiveness and customer satisfaction.....	51
Table 4.18:- simple regression of Assurance and customer satisfaction.....	52
Table 4.19:- simple regression of Empathy and customer satisfaction.....	53
Table 4.40:- simple regression of all service quality dimensions' on customer satisfaction.....	54

Acronyms

EAL: Ethiopian airlines

SPSS: statistical package for social science

B2B: business-to-business

TQM: Total quality management

SERVQUAL: Service quality

IATA: International air transportation association

SQ: Service quality

Abstract

The purpose of this study was to measure the impact of service quality on customer satisfaction in relation to Ethiopian airlines cargo import section. The study has used the SERVQUAL model of service quality with the application of the five service quality dimensions. This five dimensions of service quality which were developed by Parasuraman namely tangibles, reliability, responsiveness, assurance, and empathy where used to measure the level of customers satisfaction in Ethiopian airlines cargo import section. The study use quantitative approach and done different correlation and regression analysis tools. This research is both descriptive and explanatory type research. Both primary and secondary methods of data collection are applied and questioner is used as a source of secondary data. From the total population of 420 a sample of 364 respondents was selected using a probabilistic sampling technique which is proportional stratified sampling. Both descriptive and inferential statistics have been used to find mean score and to test hypothesis and to investigate research problem, objectives and questions. According to the findings of the study all the five dimensions of service quality have shown a significant positive effect on customer satisfaction. The findings of the regression analysis indicate that empathy and tangibility have the largest impact on customer satisfaction. Person correlation analysis was conducted to examine the relationship between service quality dimensions and customer satisfaction and the results shows that all the five dimensions of service quality have a strong positive relationship with customer satisfaction. Though all the five dimensions are significant, empathy and tangibility are the first two dimensions of service quality that have a strong and positive significant impact on customer satisfaction. Accordingly Ethiopian airlines cargo section needs to give more emphasis and due attention to empathy and tangibility dimensions of service quality to improve the level of customer satisfaction.

Key words: service quality, customer satisfaction, SERVQUAL, Tangibility, Reliability, Responsiveness, Assurance, Empathy.

CHAPTER ONE

INTRODUCTION

This chapter presents an overview of the entire study. It includes the background of the study, statement of the problem, objective of the study, research questions, significance of the study, operational definition, delimitations of the study and limitation of the study and organization of the study.

1.1 Background of the study

The growth in the service economy is widely recognized and increasingly contributes to the economic development of many regions. Although the service sector accounts for most of the new job growth in developed countries, the dominance of the service sector is not limited to highly developed nations. Many services such as those in the tourism sector contribute very heavily to developing economies also (Audrey, 2003).

Customer satisfaction is the concept that occupies a central position in marketing thought and practice (Potluri & Mangnale, 2010). Customer satisfaction is actually how customer evaluates the ongoing performance (Gustafsson, Johnson & Roos, 2005). According to Atalik and Arslan (2009) the ability of a service provider to create high degree of satisfaction is crucial for product differentiation and developing strong relationship with customers. However one key challenges of this market is how they satisfy and retain their customers and also manage service quality, which holds a significant importance to customer satisfaction and their perceived performance.

Service organizations range in size from huge international corporations like airlines, banking, insurance, telecommunications, hotel chains, and freight transportation to a vast array of locally owned and operated small businesses, including restaurants, laundries, taxis, optometrists, and numerous business-to-business (B2B) services (Lovelock & Wright, 1999).

Aviation is an industry where its market and revenue is mainly driven by the end users of its product or service. This end user includes individual customers who use air transportation to

travel as passengers or to ship other goods and products and government and business organization. Michael D, Christopher G, & Michelle C. (2008).

As cargo is one of the profit centers of the Airline industry, many Airlines start giving more attention towards satisfying their cargo demand. Customers in different segments have different needs, wants, perceptions, experiences and view service quality differently (Zeithaml et al, 2001).

There are some aspects of quality that should always be considered non-negotiable, as accepted norms for the services airlines provide irrespective of rates striving for 100% performance, which is flown-as-booked, with zero damage or pilferage. C. (2012) 'answering tomorrow's questions', Air cargo Focus, 10 February, p. 18. Customers are looking for the air cargo industry to help them respond to the growing demands of their end-customers for reliable, time-sensitive freight movement (Lothar, 2000).

Ethiopian airline cargo service has divided into three sections where services are delivered named as cargo export where outgoing cargos are served, cargo transit where transit shipments are served and cargo import where incoming cargos are served. As the minimum criteria in order to maintain its customers, the airline has to deliver cargos to customers by the promised time and without damage (Lothar, 2000).

The customers of the Ethiopian cargo incoming section are concerned on receiving their cargos on time and without damage. So the airlines have to meet their minimum requirement to stay in the business. But creating customer satisfaction is more beyond that and needs extra effort to make the customer excited and satisfied.

Currently the reality seems to be far from this. There are different complaints raised from customers about their frustrations of the service provided by the airlines cargo incoming section. Hanna, T. (2016) 'ET cargo performance, Ethiopian weekly', 5 November, p. 4. This research is conducted to find out the quality of service provided by the section, how do its customers perceive the service provided by the section and also the research conducted to understand the service gap and service quality provided by the airline using SERVQUAL measures to determine service quality and customer satisfaction. SERVQUAL scale is the measures of service quality

based on the gap between expectation and performance. Within SERVQUAL model there are five specific dimensions of service quality: tangibles, reliability, responsiveness, assurance and empathy (Parasuraman, Zeithaml & Berry, 1988).

1.1.1 Background of Ethiopian Airlines (Cargo)

Ethiopian Airlines began operations in 1946 as a joint operation managed by the American carrier TWA; using World War II aircraft acquired from the U.S. military to transport passengers and cargo to Cairo and other nearby destinations. During the 1960s and 1970s, the government-owned airline expanded service across Africa and to several European and Asian capitals. Regular service to the United States began in 1998. In 2011, the airline became the third African carrier to join the Star Alliance. Ethiopian Cargo is also the largest cargo carrier in Africa with eight Boeing freighter airplanes, two 757F each with 35-ton capacity and six 777 freighters with 105-ton capacity. Ethiopian Cargo is responsible for all Ethiopian Scheduled, chartered/leased and extra section cargo operations. Sales and traffic handling activities, corporate agreements, pricing and other related issues.

Ethiopian airlines cover the continent and have a European hub in Liege Belgium, a Middle East hub in Dubai, a hub for the Indian sub-continent in Madras, a Hong Kong hub for Asia and Leoma Togo for West Africa. Ethiopian Cargo provides consolidation, bonded and unbounded warehouse facilities for both incoming and outgoing cargo and trans-shipment to and from world markets. Handling of all paperwork and documentations, instant information on booking, flights, arrivals and delivery details, forwarding and routing throughout the Ethiopian network are some of the services rendered by Ethiopian Cargo.

In the last seven years the airline grew seven-fold - meaning 700 percent in all parameters: size, fleet, revenue, number of destinations, and number of passengers carried. Ethiopian Airline have a vision called vision 2025 that states Ethiopian will be the most competitive and leading aviation group in Africa by providing safe, market driven and customer focused passenger and cargo transport, aviation training, flight catering, maintenance repair and overhaul (MRO), ground service, domestic and regional service by 2025. Ethiopian Cargo is now one of the seven strategic business units of the Ethiopian Airlines Group and the largest cargo service provider in Africa.

Ethiopian cargo has experienced a very substantial growth, but it may still prove to be dependent on government financial support and under government protection, at least in establishing certain new international routes and in bringing service to less populous communities within the country.

1.2 Statement of the Problem

Customer satisfaction is a critical issue in the success of any business system (Ho & WU, 1999). It is recognized as the key to survival and the source of competitive advantage for organizations (Anderson, Fornell & Lehmann, 1994). Empirically, researches support the concept that there is a positive relationship between customer satisfaction and financial performance (Rust & Zahorik, 1993; Anderson et al., (1994). Also due to intense competition and the hostility of environmental factors, service quality has become a cornerstone marketing strategy for companies. (Chingang & Lukong, 2010)

At present the mere existence of almost all international business organizations in general and airline industries in particular depend to a large extent on the degree to which these industries are able to satisfy their customers demand through the provision of more dependable, safe, secured and comfortable services better than their ultimate competitors. There is no doubt that efficient cargo service delivery is a critical factor in the success of any service oriented air transport giving organization. This is particularly more pronounced in the international airline industries as these industries operate in an environment dominated by stiff competition.

The stiff competition in an airline industry forced many airlines to have strategies which address customer satisfaction and retain their customers by providing efficient service which excel from their competitors. Continuous analysis of the service delivery is the center of every service giving organization. Shrinking demand, intense competition in deregulated markets, and rising costs have put a heavy burden on airline firms, particularly in the past few years. In the airline industry context the problem is whether management can perceive correctly what customers want and expect.

The nature of shipments that is operated by the air cargo is usually time sensitive and perishable so that it needs a great care to deliver it on time and without damage Robert, C. (2012)'Answering Tomorrow's Questions', Air cargo Focus, 10 February, p. 18.

One of the Ethiopian airlines mission is to ensure being an airline of choice to its customers. So the service quality rendered by the organization is vital for the success and growth of the airline. Since there are a lot of complaints on the service quality of Ethiopian Airlines Cargo incoming section, especially regarding proactive customer handling and lack of on time delivery of customer's document and cargo. Delivering a superior quality service is critical in order to satisfy customers which imply a sustainable competitive advantage over competitors.

The purpose of this study is to identify the variables which determine and drive customer satisfaction in an airline industry. And the study also compare if there are differences of customer satisfaction determinants among demographic variables and between personal cargo customers and company cargo customers. The study addresses which of the variables from airline industry services and which of these determinants are important to customers.

1.3 Basic Research Questions

- Are the customers/importers satisfied with the service quality they get from Ethiopian Airlines cargo?
- Is there any relationship among service quality dimensions and customer satisfaction?
- Which dimensions of service quality contribute significantly to determine satisfaction in Ethiopian cargo service?
- Is there any difference in customer satisfaction level for Personal and Company cargo importers?

1.4 Objectives of the Study

1.4.1 General Objective

- The main objective of this study is to examine the effect of service quality on customer satisfaction in the context of Ethiopian airlines cargo.

1.4.2 Specific Research Objectives

- To assess the gap between customers' perceptions and expectations of cargo service quality of Ethiopian airlines.
- Identify the gap between perception and expectation of customers with respect to tangibility, reliability, responsiveness, assurance, and empathy dimension of service quality in EAL cargo incoming section.
- To examine the relationship between service quality dimensions and customer satisfaction with Ethiopian air lines cargo services.
- To identify the service quality dimensions that has significant effect on customer satisfaction.
- To examine the overall satisfaction level of customers with the service quality they get from Ethiopian airlines.
- To find out whether there is a difference in overall service quality and customer satisfaction on company and personal cargo importers.

1.5 Definition of terms

1.5.1 Conceptual Definition of terms

Service: - service is an act or performance offered by one party to another. Although the process may be tied to a physical product, the performance is essentially intangible and does not normally result in ownership of any of the factors of production (Lovelock and wright, 1999).

Quality: - Some definitions of quality sited on (Mohamed, 2011) are:-Qualities totality of features and characteristics in a product or service that bear upon its ability to satisfy needs (Hardie& Walsh 1994).

Quality is the extent to which the customers or users believe the product or service surpasses their needs and expectations (Gitlowet *al*, 1989).

Service quality: - is how well a delivered service level matches customer's expectation. (Parasuraman et al. 1988, 1991) as cited on Sang-Lin Han, (Bitner et al 1990) define service quality as "the consumers' overall impression of the relative inferiority/superiority of the organization and its services." As cited on Sang-Lin Han.

Customer perception: - is the actual level of service the customers received. Perceived service quality is a component of customer satisfaction.

Customer satisfaction: - is a person's feeling of pleasure or disappointment resulting from comparing a product's performance (outcome) in relation to his or her expectation (Kotler & Keller, 2006).

Reliability: - it's the ability to perform the promised service dependably and accurately (Parasuraman et al. 1988, 1991).

Responsiveness: - it's the willingness to help customers and provide prompt service (Parasuraman et al. 1988, 1991).

Assurance: - it's employee's knowledge and courtesy and their ability to inspire trust and confidence (Parasuraman et al. 1988, 1991).

Empathy: - it's being caring, individualized attention given to customers (Parasuraman et al. 1988, 1991).

Tangibility: - Appearance of physical facilities, equipments, personnel and written materials (Parasuraman et al. 1988, 1991).

1.5.2 Operational definition of terms

Airline Industry: - It is an industry that is engaged with the air transport/carriage of passenger, cargo and mail.

Cargo: - which is equivalent to the term "goods".

Cargo import section: - it's a department where inbound cargos are handled and customer service is provided for the importers.

Personal customers: - are customers that use air transportation to ship goods for their own personal usage. E.g. personal effects and household goods.

Company customers :- are customers of EAL cargo in coming section that transport cargo to be used in to different business transactions or to be used as a part of finished product.....etc. e.g. are pharmaceuticals, different machinery spare parts, vehicles and the like

1.6 Significance of the Study

This research will have a great deal of importance/ significance for the managers of Ethiopian airlines cargo in coming section because it provides information about the level of quality of service the company is providing to its customers from the point of view of the customers. It will help them to know whether the company is delivering its promise to the customers and also it will provide them insight about the gap between customer's perception and expectation of service and ways to improve them. The research will also give some insight about service quality and customer satisfaction in the cargo industry. It will serve as a spring board for other researchers to undertake further investigation.

1.7 Scope and Delimitations of the Study

There are different sections that Ethiopian airlines cargo service reaches to its customers like cargo export which connects to exporters, cargo transit which transits shipments handled, sales and other sections study focus on customers of Ethiopian airlines cargo incoming section. Though there are different carriers that operate cargo flights to the country and also they are highly involved in the service of imported goods due to the fact that the ground handling operations of all this different carriers is done by Ethiopian airlines. The actual and majority of contacts with customers are conducted by agents of Ethiopian airlines at the receiving end of almost all shipments this study focuses on the customers of Ethiopian airlines. Conducting the study to all importers, exporters and individual customers in Ethiopian airlines cargo is difficult because the population is infinite and it is hard to manage all of these customers so the study was focused only on companies or individuals that import goods through Ethiopian Airlines cargo. As the method of primary data collection, only questionnaire was used to conduct the study. Since compared

to other departments cargo incoming section has large amount of flows of goods and also the number of customers served are also large in number so it help to see the relationship between service quality and customer satisfaction using the five dimensions (Tangibility, Reliability, Responsiveness, Assurance & Empathy) of service quality measures. In This research the effect of service quality on customer satisfaction in the contest of Ethiopian airlines cargo incoming section and the reasonable role of cargo type in service quality customer satisfaction relationship is examined. Also it tries to look at the effect of service quality dimensions on customer's satisfaction.

1.8 Organization of the Study

The study is organized into five major chapters. The first part is the introductory part composed of background of the study, research problem and questions, Research Objectives, Significance of the Study, Scope of the study, limitation of the study, definition of terms and organization of the study. The second chapter deals with Review of Related Literature, in the third chapter research design and Methodology, The fourth chapter about data analysis and discussion and in the fifth chapter summery of findings, conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Definition of Service

One of the major trends of recent years has been the phenomenal growth of services. This shift towards a service economy is largely attributed to rising affluence, more leisure time and the growing complexity of products that require servicing. Moreover, as companies find it harder to differentiate their physical products, they increasingly turn to service differentiation, seeking to win and retain customers through delivering superior services.

Many developed countries have seen a dramatic increase in the importance of services to national economies and to the individual consumer. In the major European countries, the US and Japan, more people are employed in services than in all other sectors of the economy put together. Both public and private sector services in these countries account for between 60 and 75 per cent of gross domestic output. In international trade, services make up a quarter of the value of all international trade. In fact, a variety of service industries – from banking, insurance and communications to transportation, travel and entertainment – now account for well over 60 per cent of the economy in developed countries around the world. In some countries, service occupations have been forecast to contribute to all net job growth in the next five years (Kotler et al., 2005).

Because of their diversity, services have traditionally been difficult to define. The way in which services are created and delivered to customers is often hard to grasp since many inputs and outputs are intangible. Most people have little difficulty defining manufacturing or agriculture, but defining **service** can elude them (Lovelock & Wright, 1999).

Some of the definitions of service are the following

A service is an act or performance offered by one party to another. Although the process may be tied to a physical product, the performance is essentially intangible and does not normally result in ownership of any of the factors of production (Lovelock & Wright, 1999 pp. 84)

2.1.2 Integrated Service Management (the service mix)

According to Lovelock & Wright (1999) When discussing strategies to market manufactured goods, marketers usually address four basic strategic elements: product, price, place (or distribution), and promotion (or communication). Collectively, these four categories are often referred to as the "4Ps" of the marketing mix. However, the distinctive nature of service performances, especially such aspects as customer involvement in production and the importance of the time factor, requires that other strategic elements be included. This led to the 8ps of service marketing. Integrated service management is: the coordinated planning and execution of those marketing, operations, and Human resources activities those are essential to a service firm's success. According to them there are 8ps that creates the integrated service marketing this are

Product: All components of the service performance that create value for customers. Managers must select the features of both the core product and the bundle of supplementary service elements surrounding it, with reference to the benefits desired by customers and how well competing products perform (Lovelock & Wright, 1999)

Place: management decisions about when, where, and how to deliver services to customers. Delivering product elements to customers involves decisions on both the place and time of delivery and may involve physical or electronic distribution channels (or both), depending on the nature of the service being provided (Lovelock & Wright, 1999)

Process: a particular method of operations or series of actions, typically involving steps that need to occur in a defined sequence. Creating and delivering product elements to customers requires the design and implementation of effective processes. A process describes the method and sequence in which service operating systems work. Badly designed processes are likely to annoy customers because of slow, bureaucratic, and ineffective service delivery. Similarly, poor processes make it difficult for front-line staff to do their jobs well, result in low productivity, and increase the likelihood of service failures (Lovelock & Wright, 1999)

People: customers and employees who are involved in service production. Many services depend on direct, personal interaction between customers and a firm's employees (like getting a haircut or eating at a restaurant). The nature of these interactions strongly influences the

customer's perceptions of service quality. Customers often judge the quality of the service they receive largely on their assessment of the people providing the service. Successful service firms devote significant effort to recruiting, training, and motivating their personnel, especially—but not exclusively—those who are in direct contact with customers (Lovelock & Wright, 1999)

Promotion all communication activities and incentives designed to build customer preference for a specific service or service provider. No marketing program can succeed without an effective communication program. This component plays three vital roles: providing needed information and advice, persuading target customers of the merits of a specific product, and encouraging them to take action at specific times. In service marketing, much communication is educational in nature, especially for new customers. Companies may need to teach these customers about the benefits of the service, where and when to obtain it, and how to participate effectively in service processes (Lovelock & Wright, 1999)

Physical evidence: visual or other tangible clues that provide evidence of service quality Service firms need to manage physical evidence carefully because it can have a profound impact on quality, customers' impressions. In services with few tangible elements, such as insurance, advertising is often employed to create meaningful symbols. For instance, an umbrella may symbolize protection, and a fortress, security (Lovelock & Wright, 1999)

Productivity: how efficiently service inputs are transformed into outputs that add value for customers (Lovelock & Wright, 1999)

Price: expenditures of money, time, and effort that customers incur in purchasing and consuming services. This component addresses management of the *outlays* incurred by customers in obtaining benefits from the service product (Lovelock & Wright, 1999)

2.1.3 The Characteristics of Service

There are five main service characteristics: intangibility, inseparability, variability, perishability and lack of ownership (Kotler, et al., 2005).

Intangibility

Service intangibility means that services cannot be readily displayed, so they cannot be seen, tasted, felt, heard or smelt before they are bought. A buyer can examine in detail before purchase the color, features and performance of an audio hi-fi system that he or she wishes to buy. In contrast, a person getting a haircut cannot see the result before purchase. Airline passengers have nothing but a ticket and the promise that they and their luggage will arrive safely at the intended destination, hopefully at the same time. Because service offerings lack tangible characteristics that the buyer can evaluate before purchase, uncertainty is increased. To reduce uncertainty, buyers look for ‘signals’ of service quality. They draw conclusions about quality from the place, people, equipment, communication material and price that they can see. Therefore, the service provider’s task is to ‘manage the evidence’ – they try to ‘tangibles the service’ or to provide concrete evidence of the benefits offered (Kotler, et al., 2005).

Inseparability

Physical goods are produced, put into inventory, distributed through multiple intermediaries, later sold to users and, still later, consumed. In contrast, services are first sold, then produced and consumed at the same time and in the same place. **Service inseparability** means that services cannot be separated from their providers, whether the providers are people or machines. If a service employee provides the service, then the employee is a part of the service. Because the customer is also present as the service is produced, *provider– customer interaction* is a special feature of services marketing. Thus, it is important for service staff to be trained to interact well with clients.

A second feature of the inseparability of services is that other customers are also present or involved. The concert audience, students in the class, other passengers in a train, and customers in a restaurant, all are present while an individual consumer is consuming the service. Their behavior can determine the satisfaction that the service delivers to the individual customers. Because of the simultaneity of service production and consumption, service providers face particular difficulty when demand rises (Kotler, et al., 2005).

Variability (heterogeneity)

As services involve people in production and consumption, there is considerable potential for variability. **Service variability** means that the quality of services depends on who provides them, as well as when, where and how they are provided. As such, service quality is difficult to control. The ability to satisfy customers depends ultimately on the behavior of frontline service employees. A brilliant marketing strategy will achieve little if they do their job badly and deliver poor-quality service (Kotler, et al., 2005).

Perishability

Service perishability means that services cannot be stored for later sale or use. Some dentists and general practitioners charge patients for missed appointments because the service value existed only at that point and disappeared when the patient did not show up (Kotler, et al., 2005).

Lack of ownership

When customers buy physical goods, such as cars and computers, they have personal access to the product for an unlimited time. They actually own the product. They can even sell it when they no longer wish to own it. In contrast, service products lack that quality of ownership. The service consumer often has access to the service for a limited time. Because of the lack of ownership, service providers must make a special effort to reinforce their brand identity and affinity with the consumer using one or more of the following methods:

They could reinforce the service brand identity and affinity with the customer.

They could offer incentives to consumers to use their service again, as in the case of

Frequent-flyer schemes

They could create membership clubs or associations to give a sense of belonging and ownership (Kotler, et al., 2005)

2.1.4 The Service–Profit Chain

Successful service companies focus their attention on both their employees and customers. They understand the *service–profit chain*, which links service firms' profits with employee and customer satisfaction. This chain consists of five links (Kotler, et al., 2005).

1. Internal service quality – superior employee selection and training, a quality work environment and strong support for those dealing with customers, which results in . . .
2. Satisfied and productive service employees – more satisfied, loyal and hardworking employees, which results in . . .
3. Greater service value – more effective and efficient customer value creation and service delivery, which results in . . .
4. Satisfied and loyal customers – satisfied customers who remain loyal, repeat purchase and refer other customers, which results in . . .
5. Healthy service-profits and growth – superior service firm performance.

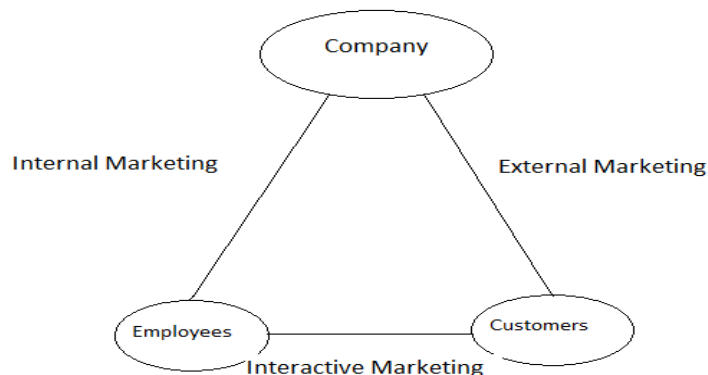


Figure 2.1:- Three types of marketing in service industries Technical and functional quality model

(Source: Kotler, et al., 2005)

Therefore, reaching service profits and growth goals begins with taking care of those who take care of customers. All of this suggests that, in order to achieve favorable service outcomes, service marketing requires more than just traditional external marketing using the four Ps.

Internal marketing means that the service firm must invest heavily in employee quality and performance. It must effectively train and motivate its customer-contact employees and all the supporting service people to work as a *team* to provide customer satisfaction. For the firm to deliver consistently high service quality, everyone must practice a customer orientation (Kotler, et al., 2005).

Interactive marketing means that perceived service quality depends heavily on the quality of the buyer–seller interaction. In product marketing, product quality often depends little on how the product is obtained. But in services marketing, especially in high-contact and professional services, service quality depends on both the service deliverer and the quality of the delivery. Effective service deliverer–customer interaction is important for achieving a satisfactory service transaction. Service marketers cannot assume that they will satisfy the customer simply by providing good technical service. This is because the customer judges service quality not just on technical quality but also on its *functional quality* (Kotler, et al., 2005).

2.1.5 Service Quality

Delivering quality service is considered an essential strategy for success and survival in today's competitive environment (Parasuraman, Zeitham & Berry, 1985).

According to Parasuraman, Zeitham & Berry (1985) Defining service quality is difficult than defininig goods quality because of three characterstics of service –intangeblity, heterogenity & inseparability.

First most services are intangebil because they are performance rather than objects. Most services can not be counted, measured, inventoried, tested and verified in advance of sale to assure quality (Parasuraman, Zeitham & Berry, 1985).

Second services, especaly those with high labour content, are heterogineous; there performance often varies from producer to produser from customer to customer and form day to day. Consistancy to behavior from service personnel (i.e uniform quality) is difficult to assure

because what firms intend to deliver may be entirely different from what the customer received (Boons and Bitner, 1981).

Third production and consumption of many many services are inseparable and long as a consequence quality in service is not engineered at manufacturing plant and delivered intact to the customer (Parasuraman, Zeitham & Berry, 1985).

So examination of literature by Gronroos, (1982), and Lehtinen, (1982), and Lewis & Booms, (1983) on service quality suggests three underlining themes.

Service quality is more difficult for consumer to evaluate than good quality

Service quality perceptions result from a comparison of consumer expectations with actual service performance

Quality evaluations are not made solely on the outcome of service, they also involve evaluations of the process of service delivery

Keeping in mind the previously mentioned case the following are some of the definitions formulated about service quality by different scholars.

Service quality is defined as “the difference between customer expectations and perceptions of service” or “as the customers’ satisfaction or dissatisfaction formed by their experience of purchase and use of the service” (Gronroos, 1984 and Parasuraman et al. 1988). Oliver (1993) reported that service quality is a causal antecedent of customer satisfaction, due to the fact that service quality is viewed at transactional level and satisfaction is viewed to be an attitude. Zeithaml et al. (1996) reported that the service quality dimensions are related to overall service quality and or customer satisfaction. Fornell et al., (1996) expressed that satisfaction is a consequence of service quality. There are various classifications of the components of service quality in marketing science. Gronroos (1984) stated that “in service environments, customer satisfaction will be built on a combination of two kinds of quality aspects; technical and functional”. Technical quality or quality of the output corresponds to traditional quality of control in manufacturing. It is a matter of properly producing the core benefit of the service. Functional quality or process quality is the way the service is delivered. Technical quality is related to what customer gets (transaction satisfaction); functional quality is related to how the

customer gets the result of the interaction (relationship satisfaction). Lewis (1987) suggested that service quality can be classified as essential and subsidiary. Essential refers to the service offered and subsidiary includes factors such as accessibility, convenience of location, availability, timing and flexibility, as well as interactions with the service provider and other customers.

The classification can also be the core (contractual) of the service, and the relational (customer-employee relationship) of the service. The core or the outcome quality, which refers to what is delivered and the relational or process quality, which refers to how it is delivered are the basic elements for most services. (Gronroos, 1984, McDougall and Levesque, 2000). McDougall and Levesque (2000) in their direct approach investigation on four service firms (dentist clinic, automobile shop, restaurant, and haircut salon) demonstrated that both core and relational service quality classes have significant impact on customer satisfaction. Parasuraman et al. (1988) identified five dimensions of service quality (SERVQUAL) that must be present in any service delivery. SERVQUAL helps to identify clearly the impact of quality dimensions on the development of customer perceptions and the resulting customer satisfaction. SERVQUAL include:

Reliability - the ability to perform the promised services dependably and accurately.

Responsiveness - the willingness to help customers and provide prompt service.

Assurance - the knowledge and courtesy of employees as well as their ability to convey trust and confidence.

Empathy - the provision of caring, individualized attention to customers, and

Tangibles - the appearance of physical facilities, equipment, personnel and communication materials.

The model conceptualizes service quality as a gap between customer's expectations (E) and the perception of the service providers' performance (P). According to Parasuraman et al. (1988), "service quality should be measured by subtracting customer's perception scores from customer expectation scores ($Q = P - E$)". The greater the positive score mark means the greater the positive amount of service quality or the greater the negative score mark, the greater the negative amount of the service quality.

Zeithaml et al. (1990) proposed a comprehensive perception of quality assessment and claimed that they are other factors apart from the dimensions of Parasuraman et al. (1988):

Access – how easy it is to come into contact with the supplier. This is where position, opening hours, supplier availability, and other technical facilities belong.

Communication – the ability to communicate in an understandable way that is natural to customer.

Credibility – referring to being able to trust the supplier

Courtesy – refers to the supplier's behaviour, e.g. politeness and kindness

Parasuraman et al. (1988), assurance dimension is a combination of the credibility and courtesy dimensions of Zeithaml et al. (1990).

A set of discrepancy or gaps exists regarding executive perception of service quality and the task associated with service delivery to consumers. These gaps can be major hurdles in attempting to deliver a service which consumers would perceive as being at high quality they analyze this gaps under one model called the gap model (Parasuraman et al, 1985).

2.1.6 The Gap Model

Service quality is a function of the differences between Expectation and performance along the quality dimensions (Parasuraman et al, 1985). They developed a service quality Model based on gap analysis. The various gaps visualized in the model are:

Gap-1 consumer expectation – management perception gap

Discrepancies between executive's perception and consumer's expectation exist. In essence service firm executive's may not always understand what futures connote high quality to consumers in advance, what features a service must have in order to meet consumers need and what and what level of performance on those features are needed to deliver high quality service. E.g. The physical and security features of credit cards are important for the customer but didn't have critical importance from the view point of executive's. The gap between consumer expectation and management perception of those expectations will have an impact on the consumer's evaluation of service quality.

Gap-2 management perception – service quality specification gap

A variety of factor-resources consternates, market conditions, and / or management indifference may result in discrepancy between management perception of consumer expectation and the actual specifications established for a service. This gap between management perception of consumer expectation and the firm's service quality specifications will affect service quality from the consumer view point.

Gap-3 service quality specification – service delivery gaps

Even when guide lines exist for performing service well and teriting customeres correctly, high quality service may not be a certanity. Excutives recognize that a service fim employees exert a strong influence on the service quality percived by consumers and employees performance can not alwayes be standardise. The gap between service quality specification and actual service delivery will affect service quality from consumers stand point.

Gap-4 service delivery – external communication gap

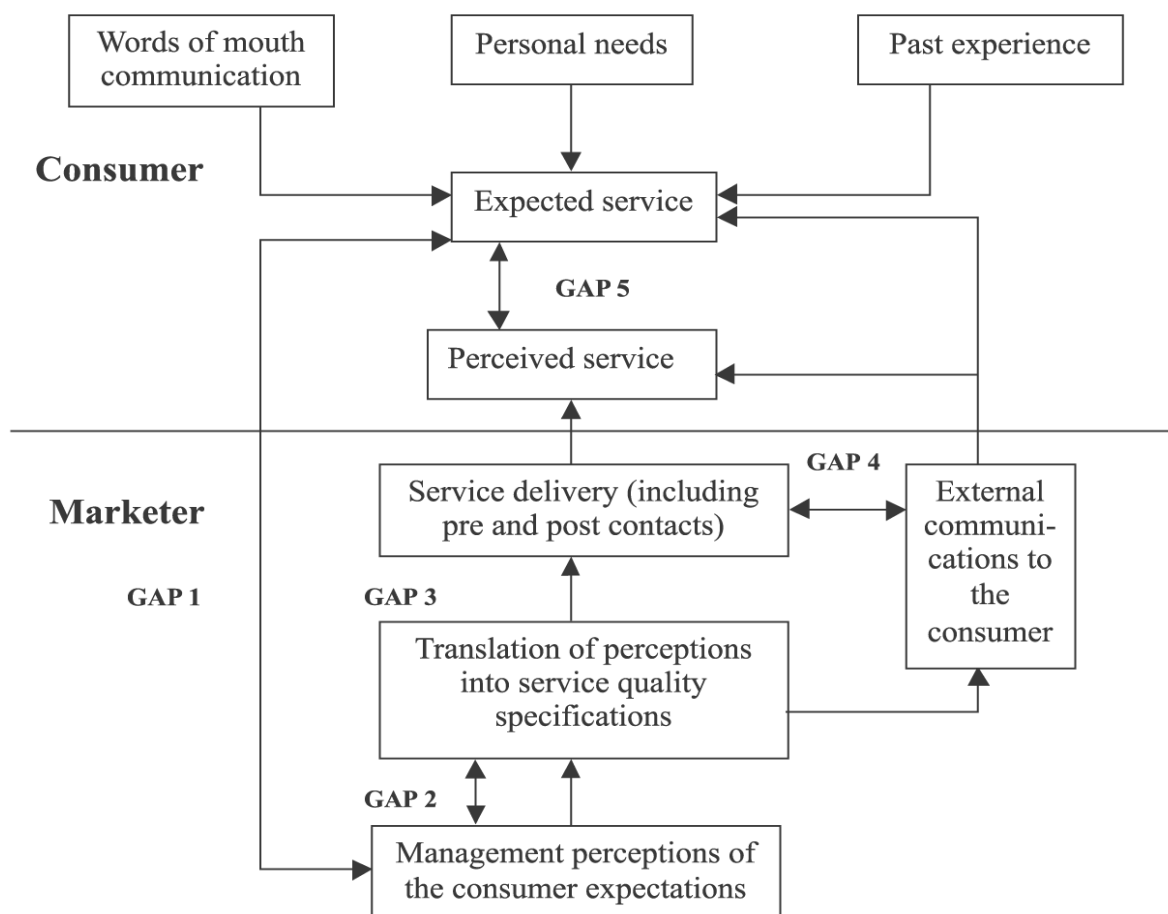
Media advertising and other communications by a firm can afect consumeres expectation. If expection play a major role in consumer persepction of service quality firms need to be certaine not to promise more in communication than it can deliver in reality. Promising more than can be delivered will raise initial expectation but lower persepction of quality when promises are not fullfilled.

External communictions can affect not only consumer expectation about service but also consumer persepction of delivered service. Alternatively, descripancies between service delivery and external communication in a form of exaggerated promices and / or the absence of information about service delivery aspectes intended to serve consumeres well well can affect consumeres persepction of service quality. So this gap between service delivery and external communication will affect service quality from consumeres standpoint

Gap-5 expected service – perceived service gap

The key to ensuring good service quality is meeting or exceeding what consumers expect from the service. Judgments of high and low service quality depends on how consumers perceive the actual service performance in context of what they expected.

The quality that a consumer perceives in a service is a function of the magnitude and direction of the gap between expected service and perceived service.



Source: Parasuraman *et al.* (1985)

Figure 2.2 Gap Model

2.1.7 SERVQUAL

SERVQUAL was created to measure service quality and is based on the view that the customer's assessment of service quality is paramount. It is operationalized in terms of the relationship between expectations and outcomes (Gilmore, 2003, pp40)

It is widely accepted that customers compare the service they expect with perceptions of the service they receive in evaluating service quality (Grönroos, 1982); (Parasuraman *et al.*, 1985) as cited on (Gilmore and Carson, 1996)

SERVQUAL is a concise multiple item scale with good reliability and validity that retailers can use to better understand the service expectations and perception of consumer and, as a result, improve service. The instrument has been designed to be applicable across a broad spectrum of services. As such, it provides skeleton through its expectation/perceptions format encompassing statements for each of the five service quality dimensions (Parasuraman, Zeithaml and Berry, 1988)

The exploratory research conducted by (Parasuraman, Zeithaml and Berry, 1985) revealed that the criteria used by consumers in assessing service quality fit 10 potentially overlapping dimensions. these dimensions where, tangibles, reliability, responsiveness, communication, credibility, security, competence, courtesy, understanding/knowing customers and access (Parasuraman, Zeithaml and Berry, 1988) as cited on (Philip and Hazlett, 1996) These were subsequently condensed into five dimensions of service performance known as SERVQUAL namely this five scale items are

Table 2.1 SERVQUAL Dimensions.

Dimensions	Definition
Reliability	The Ability to perform the promised Service dependably and accurately
Assurance	The knowledge and courtesy of employees and ability to convey trust and confidence
Tangibles	The appearance of Physical facilities, equipment personnel and communication materials
Empathy	The provision of caring, individualized attention to customers
Responsiveness	The willingness to help customers and to provide prompt service

Source: Buttle (1995)

2.1.8 Customer Expectation, Perception and Satisfaction

2.1.8.1 Customer expectations

Customer expectations are beliefs about a service that serve as standards against which service performance is judged (Zeithaml *et al.*,1993); what customers think a service provider should offer rather than what might be on offer (Parasuraman *et al.*1988). Expectations are formed from a variety of sources such as the customer's personal needs and wishes (Edvardsson *et*

al.1994).the customer's personal philosophy about a particular service, by promises (staff, advertising and other communications), by implicit service promises (such as price and the tangibles associated with the service), by word-of-mouth communication (with other customers, friends, family and experts), as well as by past experience of that service (Zeithaml & Bitner,1996).

Customer expectations vary internal standards that customers use to judge the quality of a service experience. Customers' expectations about what constitutes good service vary from one business to another. Customer expectations embrace several different elements, including desired service, adequate service, predicted service, and a zone of tolerance that falls between the desired and adequate service levels (Lovelock & Wright, 2001).

Desired service: the "wished for" level of service quality that a customer believes can and should be delivered

Adequate service: the minimum level of service that a customer will accept without being dissatisfied

Predicted service: the level of service quality a customer believes a firm will actually deliver

Zone of tolerance: the range within which customers are willing to accept variations in service delivery. The inherent nature of services makes consistent service delivery difficult across employees in the same company and even by the same service employee from one day to another. The extent to which customers are willing to accept this variation is called the **zone of tolerance** a performance that falls below the adequate service level will cause frustration and dissatisfaction, whereas one that exceeds the desired service level will both please and surprise customers, creating the "customer delight" that we discussed earlier in this chapter. Another way of looking at the zone of tolerance is to think of it as the range of service within which customers don't pay explicit attention to service performance. When service falls outside this range, customers will react either positively or negatively

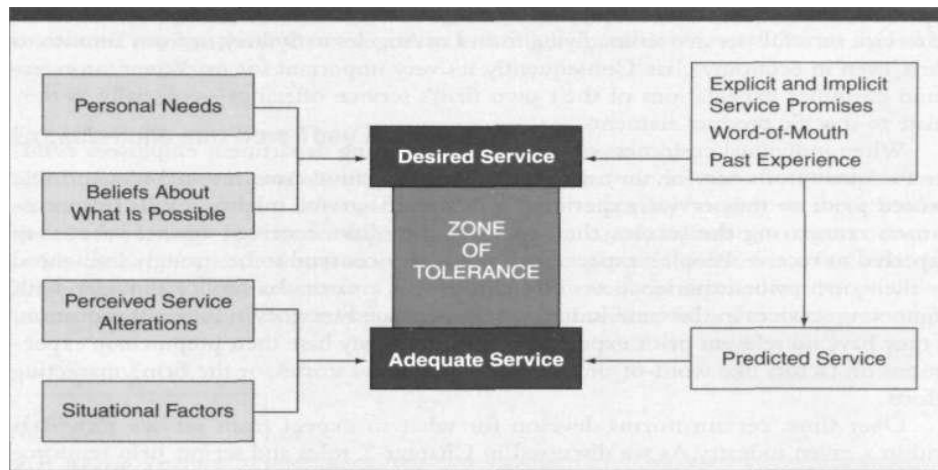


Figure 2.3 Factors That Influence Customer Expectations of Service

Source: Parasuraman et al (1993)

2.1.8.2 Customer Perception of Service Quality

Customer perceived service quality can be defined as a global judgment or attitude relating to the superiority of a service relative to competing offerings (Parasuraman et al 1988) as cited on (Zhilin, Minjoon & Robin, 2004). Perceived service quality results from comparisons by consumers of expectations with their perceptions of service delivered by the suppliers (Zeithaml, 1988). It is argued that the key to ensuring good service quality perception is in meeting or exceeding what customers expect from the service. Thus, if perception of the actual service delivered by the supplier falls short of expectation, a gap is created which should be addressed through strategies that affect the direction either of expectations or perceptions, or both (Parasuraman et al.,1988).

2.1.8.3 Customer Satisfaction

Customer satisfaction can be defined as a person's felt state, either pleasure or discontent, ensuing from comparing a product's perceived performance (or outcome) in relation to the person's expectations as cited on (Zhilin, Minjoon, Robin ,2004).

Customer satisfaction has long been recognized as one of the critical success factor in today's competitive business environment as it affects companies' market share and customer retention. “Satisfied customers tend to be less influenced by competitors, less price sensitive, and stay loyal longer” as cited by (Zhilin, Minjoon, Robin ,2004).

Several studies seem to conclude that satisfaction is an affective construct rather than a cognitive construct (Oliver, 1997; Olsen, 2002). Rust and Oliver (1994) further defined satisfaction as the “customer's fulfillment response,” which is an evaluation as well as an emotion-based response to a service. It is an indication of the customer's belief on the probability of a service leading to a positive feeling as cited on (Festus, Maxwell, & Godwin J, 2006). Satisfaction is “an overall customer attitude towards a service provider, or an emotional reaction to the difference between what customers anticipate and what they receive, regarding the fulfillment of some needs, goals or desire (Hansemark & Albinson, 2004).

2.2 Empirical Review

2.2.1 The Relationship between Service Quality and Customer Satisfaction

The relationship between customer satisfaction and service quality has received a good deal of attention in the literature Bolton and Drew; (1994). Defined service quality and customer satisfaction as “service quality is a global judgment, or attitude, relating to the superiority of the service, whereas satisfaction is related to a specific transaction” Satisfaction is a “post consumption experience which compares perceived quality with expected quality, whereas service quality refers to a global evaluation of a firm's service delivery system” (Parasuraman et al, 1988).

The key difference between service quality and customer satisfaction is that quality relates to managerial delivery of the service while satisfaction reflects customers' experiences with that service. They argue that quality improvements that are not based on customer needs will not lead to improved customer satisfaction (Iacobucci et al, 1995).

Bolton and Drew (1994) pointed out “customer satisfaction depends on pre-existing or contemporaneous attitudes about service quality”.

There is also a lot of argument regarding whether customer satisfaction is the antecedent of service quality or the outcome of service quality. “ Initially scholars take the position that satisfaction is an antecedent of service quality since to reach an overall attitude (service quality) implies an accumulation of satisfactory encounters” (Bolton & Drew, 1991). However, other scholars take the opposite view that service quality is the antecedent of customer satisfaction (Cronin & Taylor, 1992); (Ekinici, 2004); (Rust & Oliver, 1994); as cited on (Harr, 2008).

Empirical research by Cronin & Taylor, (1992) “showed that service quality has a significant effect on customer satisfaction.” Similarly, recent studies by González & Brea, (2005); &Ekinici(2004) as cited on (Harr, 2008) using recursive structural models provided empirical support that service quality results in customer satisfaction. Customer satisfaction “is a broader concept than service quality which focuses specifically on dimensions of service (Zeithamlet al.2006).

2.2.2 Measerment of Service Quality

Measurements need to take account of the service process, they need to measure both tangible and intangible aspects of services and they should take account of the specific context in which a service occurs .Given that services are processes, measurements need to take account of the complete service process. Such measurements need to address all stages in the service experience, the pre-, during and post-service experience of the customer and, where the design of a service is linked to technology, if appropriate(Gilmore, 2003).

There have been several attempts made by a group of researchers who have systematically identified the variables that quantify service quality, among which the two most popular metrics are SERVQUAL and SERVPERF (Varambally and Motlagh, 2010). SERVQUAL is based on the conceptualization of service quality as the difference between consumer’s Perceived performance and Expectation (Parasuraman et al., 1988). On the other hand, SERVPERF is purely a Performance based approach to the measurement of service quality (Cronin and Taylor, 1992). Even though SERVQUAL and SERVPERF are the most commonly used scales of service quality measurement Among these two the most commonly used measure is SERVQUAL (Duff and Hair, 2008), (Ladhari, 2009) as cited on (Varambally, Motlagh,2010). There is no universal and encompassing approach to service quality dimensions which can be appropriate and applicable to all service industries and across all socio-cultural and economic environments. But as discussed by many researchers SERVQUAL has a wide range of applications in service quality measurement which includes: health care applications (Woodside et al., 1989); Reidenbach and Sandifer-Smallwood, (1990); Babakus and Boller,(1992); Lytle and Mokwa, (1992); (Bebko and Garg, 1995); (Licata et al.,1995) as cited on (Varambally, Motlagh, 2010). even though there is not one universally accepted measurement model of service quality that is applicable for all types of services as already mentioned there are two most popular models

namely SERVQUAL and SERVPERF because SERVQUAL provides rich information and also as a measurement tool it also help as identify which parts of the service provided are contributing positively and which aspects of the service needs implement as a result the study used SERVQUALA model.

2.3 Conceptual Framework of the Study

Based on the above literature review the following conceptual framework is developed.

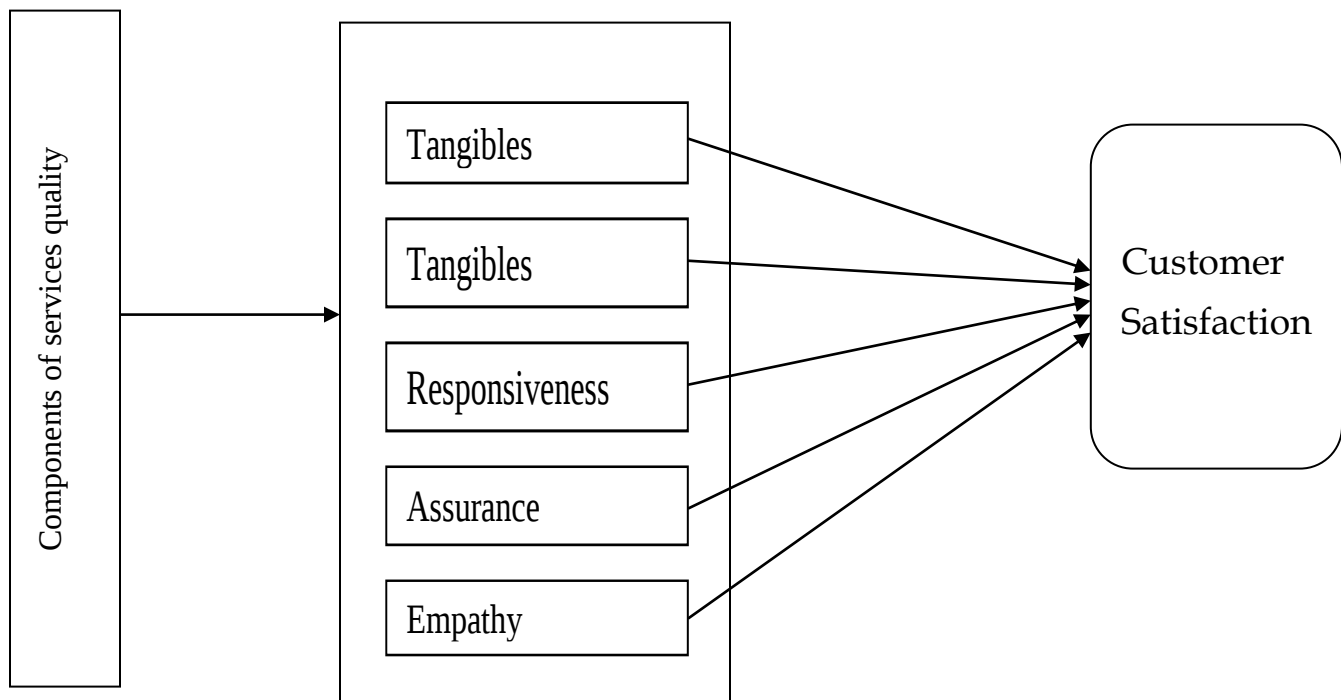


Fig 2.4 conceptual frame work of the study

Source: researcher own work 2017

2.3.1 Research Hypotheses

The researcher develops the following hypotheses for the study based on the above literature review.

H1: The tangibles have significant positive influence on customer satisfaction.

H2: Reliability has significant positive impact on customer satisfaction.

H3: Responsiveness has significant positive effect on customer satisfaction

H4: Assurance has significant positive impact on customer satisfaction

H5: Empathy has significant positive link with customer satisfaction

H6: There is positive relationship between overall service quality and customers satisfaction

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Research Approach

This chapter tries to cover the research design and methodology part of the study. The research type, the approach used the source of data and its method of collection, the sample design and other topic which has to be included in the methodology part are discussed here.

According to John, (2014) Research approaches are plans and the procedures for research that span the steps from broad assumptions to detailed methods of data collection, analysis, and interpretation. The selection of a research approach is also based on the nature of the research problem or issue being addressed, the researchers' personal experiences, and the audiences for the study. There are three basic approaches to research (a) qualitative (b) quantitative (c) mixed methods. According to Christensen, (1985) noted that quantitative survey is the most appropriate one to use if the purpose of an investigation is to describe the degree of relationship which exists between the variables. Accordingly this research was conducted using quantitative research approach hence, it examined and measured the relationship between service quality and customer satisfaction in relation to Ethiopian airlines cargo incoming section. Therefore; the quantitative method is used by considering sample customers of the organization and questionnaires was distribute.

3.2 Research Design

According to Singh, (2006), research design is essentially a statement of the object of the inquiry and the strategies for collecting the evidence, analyzing the evidences and reporting the findings.

There are different types of scientific research. Namely exploratory research, Descriptive research and Explanatory research (Bhattacharjee, 2012). Accordingly, this research is

conducted using both descriptive and explanatory research and also different inferential statistics tools will be use to understand the relationship between the five dimensions of SERVQUAL and customer satisfaction and the impact this SERVQUAL dimensions have on customer satisfaction in Ethiopian airlines cargo incoming section.

3.3 Source of Data

There are two kinds of sources for data collection and these are primary and secondary sources of data. In this study both Primary and secondary sources were used in soliciting information for the study. Primary data were obtain from a structured self-administered questionnaire and Secondary information were collected from the airline manuals, previous studies , journals and articles conducted on customer satisfaction and other related titles, and unpublished materials of Ethiopian Airlines and web addresses and /or internet reports generated. The customers' judgments were used as the source of data for analysis. The data is collected in the form of questioners. These questioners are analyzed and conclusions are drawn from the analysis about the level of service quality provided by the airline and its customer satisfaction.

3.4 Sampling Design, Population and Sampling Technique

3.4.1 Sampling Design

There are two basic sampling techniques which are probability and non-probability sampling. This research is conducted using probability sampling which is proportional stratified sampling technique. The population of the study is permanent customers of Ethiopian Airlines cargo. To identify those customers the researcher used the frequency that they import cargo or uses the airline and the volume or tonnage of cargo they imported. The researcher tries to differentiate as customers who do have a business shipment on a permanent bases and need a long lasting relationship with the airlines and one time customers which they want only a single time business relation with the airline in order to import some personal item abroad. The study also conducted purposive sampling technique to identify in which category that the customers are. The sample size for the study assumes 95% confidence level, and 5% margin of error.

3.4.2 Population

The population of the study consists of all company customers of Ethiopian Airlines that is engaged in importing their products on permanent bases. The import business has importers from

all kind of commodities. The commodities could be either company shipment to be used in to different business transactions or to be used as a part of finished product or personal commodities which is used for personal use only. There are 420 import customers which are permanently use Ethiopian airlines throughout the year. These 420 customers are the total population of the study.

3.4.3 Sampling Technique

Sampling is the process or technique of selecting a suitable sample for the purpose of determining parameters or characteristics of the whole population (Adams, et al., 2007).

This research is conducted using probability sampling technique which. The sampling technique that was employed in this study is both stratified and simple random sampling. To ensure that as much as possible biasness is removed or is minimized and a fair representation is obtained, the population of the study was stratified in to two major target group based on the nature of the shipment they import which is company cargo and personal cargo.

To select respondents from each stratum simple random sampling design was employed; in doing so, the existing customer list was obtained from the import manager cargo office and then the proportional weight was assigned to each stratum in order to form the sampled data properly represent the population from which the stratified sample of existing employee is drawn.

3.4.4 Sample size

Considering the size, as well as the time, it was hard to collect data on the whole population. Thus, to avert such constraint the researcher forced to draw sample from the whole population. According to Field (2005), whenever it is possible to access the entire population, it is possible to collect data from sample and use the behavior within the sample to infer things about the behavior of the population. Field also states that the bigger the sample size, the likely it reflect the whole population. Accordingly, in this study to make the sample more representatives, the sample size of the study is determined using the formula adopted from kreijcie and Morgan's (1970). Thus, the formula used to calculate the sample size is

$$n= N/ (1+N (e)) ^2$$

Where: n=sample size

N=total population that is 420

e= is the error term, which is 5% (i.e. at 95% confidence interval)

Using the above formula the sample size of the study is determined as

$$n = 420 / (1 + 420(0.05))^2$$

$$n = (420 / 1 + 21)^2$$

$$n = (19.09)^2$$

$$n = 364$$

Therefore the sample size is 364 customers.

3.5 Data collection Instrument

The primary data for this study was collected through self-administered structured questionnaire. Five point likert scale questioner is used to get a more reliable output regarding their personal attitude about Ethiopian Airlines Cargo.

Overall, the designed instrumental questionnaire includes three main parts;

Part one is aimed to collect data on demographic variables

Part two is aimed to collect data on independent variables and,

Part three is aimed to collect data on the dependent variable

In the first part of the questionnaire, 5 items with different label are included and they are dealing about different demographic characteristics of the respondents such as gender, age, educational back ground, location of the customer (within Addis Ababa or outside), type of customer and type of commodity they import are included.

The second and third part of the questionnaire consists of question statement aimed to measure the variables of the study using five-point Likert Scale (1=strongly disagree/highly dissatisfied, 2= Disagree/Dissatisfied, 3= Neutral, 4= agree/Satisfied and 5= strongly agree/highly satisfied).

Thus, the respondents will be request to select their own choice of the five point Likert scale alternatives in order to specify their level of agreement or disagreement on each statement. Specifically, the second part of the questionnaire includes 22 closed- ended items aimed to measure the customer's perception of service quality. The third part of the questionnaire includes 1 closed- ended item aimed to measure the customer's satisfaction level.

3.6 Data collection procedure

The researcher distributed the questioner to each sample customers by personally giving them the questioner and by putting it on a common place where they can get it easily that means on information desk, import counter area where they usually start the process to receive their shipment and company and personal cargo delivery area. After the questioners are returned back, the researcher sees what is properly filled and not then entered the data into a computer for electronic processing using the SPSS.

3.7 Data analysis Techniques

The Data analysis will include: descriptive statistics to count the frequency of response, Reliability analysis-to test the internal consistency of the instrument, correlation analysis-to assess the relationship between variables of the study and multiple regression analysis-to assess the extent of influence of independent variables (service quality dimensions) or dependent variables (customer satisfaction). After the required data were collected the researcher code and enter data into a computer for electronic processing using the SPSS.

3.8 Ethical Considerations

Ethics are the moral distinction between right and wrong, and what is unethical may not necessarily be illegal (Bhattacharjee (2012)). In order to be ethical a researcher should consider voluntary participation and harmlessness. Subjects in a research project must be aware that their participation in the study is voluntary, that they have the freedom to withdraw from the study at any time without any unfavorable consequences, and they are not harmed as a result of their participation or non-participation in the project. Name of the respondents and companies name are not asked to write in order to increase the confidentiality of the information they give. And also the questionnaire explains that the purpose of research was for academic purpose and finally

the respondents were included based on their willingness. Furthermore, the researcher tried to avoid misleading or deceptive statements in the questionnaire. Lastly, the questionnaires will distribute only to voluntary participants.

3.9 Reliability

Reliability is the degree to which the measure of a construct is consistent or dependable. In other words, if we use this scale to measure the same construct multiple times do we get pretty much the same result every time, assuming the underlying phenomenon is not changing According to (Bhattacharjee, 2012).internal consistency reliability internal consistency reliability is a measure of consistency between different items of the same construct (Bhattacharjee, 2012) Hence, the study used a multiple –item measurement scale internal consistency method should be applied to the study. Cronbach alpha with acceptable cut off points 0.7 demonstrate that all attributes are internally consistent the reliability test for the instrument used for the study was conducted using SPSS the results shows that the items used are reliable.

As sited from (Meron,2015) coefficient alpha ranges in value from 0 meaning no consistency to 1 meaning complete consistency (all items yield corresponding values). Generally speaking, scales with a coefficient between 0.80 and 0.95 are considered to have very good reliability. Scales with a coefficient between 0.70 and 0.80 are considered to have good reliability, and value with a coefficient between 0.60 and 0.70 indicates fair reliability. When the coefficient is below 0.6, the scale has poor reliability (Zikmund et al, 2010).

Table 3.1 Reliability statistics of Service quality dimensions.

No	Dimension	Number of items	Alpha Value
1	Tangibility	4	.660
2	Reliability	5	.738
3	Responsiveness	5	.773
4	Assurance	4	.770
5	Empathy	4	.801

Reliability Statistics

Cronbach's Alpha	N of Items
.930	22

Source-own result

The alpha coefficient for Tangibility dimension for cargo import section is 0.660. All the five dimensions have good degree of reliability. The alpha coefficient for reliability dimension is good which is 0.738 the alpha coefficient for responsiveness dimension is 0.773 which shows reliable. The alpha coefficients for assurance and empathy dimensions show a very good reliability which is 0.770 and 0.801 respectively. Checking the reliability test by taking all the service quality dimensions together gives us the more reliable alpha coefficient which is 0.930. This means that the dimensions used to measure the service quality for this study are very consistent.

3.10 Validity

Validity often called construct validity refers to the extent to which a measure adequately represents the underlying construct that it is supposed to measure Bhattacharjee (2012). Validity is concerned with how well the concept is defined by the measure. According to Bhattacharjee (2012) there are two assessments of validity theoretical or translational validity and empirical or criterion-related validity which includes Content validity, Predictive Validity, Convergent validity and Concurrent validity. Content validity is an assessment of how well a set of scale items matches with the relevant content domain of the construct that it is trying to measure. Convergent validity refers to the closeness with which a measure relates to (or converges on) the construct that it is purported to measure, Predictive validity is the degree to which a measure successfully predicts a future outcome that it is theoretically expected to predict. Concurrent validity examines how well one measure relates to other concrete criterion that is presumed to occur simultaneously. The study used content validity because it assess how well a set of scale items matches with the relevant content domain of the construct that it is trying to assess.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION

4.1. Introduction

This chapter is emphasized on the analysis of data and discuss on the findings of the study in relation to the effects of service quality dimensions on customer satisfaction. The findings of the study are analyzed based on the specific objectives and hypotheses of the study. In this chapter respondent's profile, descriptive analysis, correlation analysis and regression analysis are discussed.

4.2. Descriptive statistics

This subsection in general describes the general characteristics of the respondents and study variables.

4.2.1. General profile of the respondents

364 questionnaires were prepared and distributed to cargo import customers and out of these questionnaires 346 were collected and among these 12 questionnaires were not valid since they were not fully completed. Therefore the study takes 334 questionnaire results for the analysis. The demographic characters include sex, age, educational background and type of customers and location of the customer.

As presented in Table 4.1 the respondents for this research have the following demographic makeup. When we consider sex, it shows 234 or 70.1% of the respondents were male and the remaining 100 or 29.9 % of the respondents were female, which indicate the dominancy of male among cargo import customers. As far as the age of respondents is concerned 32.3 % of the respondents were in the age range of 18-25 years, 43.4 % of the respondents were in the range of 26-35 years, 18.6 % of the respondents were in the age range of 36-45 years, 3.6 % of the respondents were in the age range of 46-55 years, and 2.1 % of the respondents were 56 and above years. With regard to educational background, 9.9 % of the respondents were $\leq 10+2$ educational level, 43.7 % of respondents were diploma holders, 42.8 % of the respondents were

degree holders and 3.6 % of the respondents were having MA and above that means majority of the respondents are diploma and degree holders and this indicates that the respondents have the educational readiness to back them when they answer the questions they are asked while receiving service

Table 4.1 Demographic profile of Respondents

Item/variable	Category	frequency	Percent
Gender	Male	234	70.1
	Female	100	29.9
	Total	334	100
Age	18-25	108	32.3
	26-35	145	43.4
	36-45	62	18.6
	46-55	12	3.6
	Above 56	7	2.1
	Total	334	100
Educational Back Ground	< 10+2	33	9.9
	Diploma	146	43.7
	Degree	143	42.8
	MA and Above	12	3.6
	Total	334	100
Type of Customers	Personal	155	46.4
	Company	179	53.6
	Total	334	100
Location of the customers	within Addis Ababa	190	56.8
	without Addis Ababa	144	43.2
	Total	334	100

Source survey result

The background characteristics of respondents in this study are customer type and commodity type. Regarding the customer type, 53.6 % of the import customers are company cargo importers and the rest 46.4 % are personal cargo importers. Customers from Addis Ababa take 56.8 % of the total sample size and the remaining 43.2.% of Ethiopian airlines import section customers are located out of Addis Ababa.

4.2.2 Normality Test

Normality test is used to determine whether sample data has been drawn from a normally distributed population or the population from which the data came is normally distributed. Normality was checked by two terms by i.e. kurtosis and skewness by using SPSS so there exist normal values for kurtosis as well as skewness. For kurtosis the normal value is greater than 3 whereas for skewness the normal value is supposed to be less than 6 or near to 0 (Asghar and Saleh 2012)

Table 4.2- Skewness & Kurtosis

		Tangibility	reliability	responsiveness	assurance	Empathy
N	Valid	334	334	334	334	334
	Missing	0	0	0	0	0
Skewness		0.418	0.293	0.407	0.166	0.441
Std. Error of Skewness		0.128	0.128	0.128	0.128	0.128
Kurtosis		-1.4	-1.238	-1.125	-1.938	-1.101
Std. Error of Kurtosis		0.255	0.255	0.255	0.255	0.255

Source survey result

The values from table 4.2 shows that skewness values are all under three for all independent variables (Tangibility, reliability, responsiveness, assurance, and empathy) and dependent variable (customer satisfaction) and the same thing exists for kurtosis values which are under six for the existing variables independent and dependent variable listed above. Therefore, from the results shown above we can say that the data was normally distributed among the sample population.

4.2.2. Service quality dimensions

4.2.2.1 Description of Tangibility

The mean value represents the average of all customer response on certain dimensions while, standard deviation shows how diverse the responses of the respondents are that means if the standard deviation shows smaller number, it indicates that the response of the respondents shows close opinions and when the standard deviation is high, it indicates the response of the respondents shows high variation. According to Zaidatol & Bagheri (2009)

Mean Score	Description
<3.39	Low
3.40 -3.79	Moderate
>3.80	High

As shown in Table 4.3 the average mean for tangibility dimension question that says “Ethiopian airlines cargo import section has an up-to-date and enough equipment used in the cargo terminal import section” is 3.09 with the standard deviation of 1.043 which is below 3.39 that shows most respondents do not believe that there is adequate instrument. Tangibility questions number four that says “the location of cargo office is convenient for transportation” is also categorized in this class which shows low tangibility dimension that means it is not convenient for transportation. Among the four means that used to measure the tangible dimensions of service quality the part where the employees are well groomed and neat in appearance shows the highest mean or the smallest gap when we compare it to the others. The next highest mean from the tangibles is for “the physical setting and the atmosphere of Ethiopian Airlines cargo office is virtually appealing” that is also in moderate class that most respondents agree that there is appealing environment.

Table 4.3 Tangibility Statistics

	Up to date Equipment	Appealing Atmosphere	Neat and well groomed Agents	Convenient Location
Mean	3.09	3.41	3.5	3.07
Std. Deviation	1.043	0.963	1.068	1.245

Source survey result

4.2.2.2 Description of Reliability

As we can see from table 4.4 The mean value for reliability dimension questions are all classified in low level category since the results lie under 3.39 mean value that shows there is a higher gap between the question and their response. For the first and third reliability questions that says “Ethiopian Airlines cargo import always keep its promise and deliver what they have promised” and “the service given at the cargo import is always right at the First time” respectively has a mean value of 3.18 with a standard deviation of 1.179 and 1.045 respectively. Reliability question number four and five that are “there is a timely delivery of service and every information is communicated on the right time” and “records that are needed are kept accurately and every document arrived at destination safe and on time with the shipment” have a mean value of 3.199 and 3.20 with the standard deviation of 1.121 and 1.104 respectively. The highest mean or the lowest gap lies on the second reliability question which is “Employees of cargo import section show sincere interest in solving the problems you have as a customer” is 3.35 with a standard deviation of 1.048 that is still low but better compared with the other reliability dimension questions.

Table 4.4 reliability Statistics

	Keep and Deliver its promises	Employees of cargo import section show sincere interest in solving the problems you have as a customer	The service given at the cargo import is always right at the First time	There is a timely delivery of service and every information is communicated on the right time	Records that are needed are kept accurately and every document arrived at destination safe and on time with the shipment
Mean	3.18	3.35	3.18	3.19	3.2
Std. Deviation	1.179	1.048	1.045	1.121	1.104

Source- own result

4.2.2.3 Description of Responsiveness

Regarding the responsiveness dimension questions as we see on table 4.5 there is a high gap between the objective to be met and the actual result. That means all the four questions except one lied on the low mean value category which is 3.2, 3.35, 3.30 and 3.37 that's all are below 3.39 that shows a highest gap. Only responsiveness question number three is in moderate case that says "the employees at the import desk are always willing to help a customer" has a mean value of 3.56 with a standard deviation of 1.063.

Table 4.5 Responsiveness Statistics

	Information is kept in a way to be easily obtainable by a customer at any time.	Ethiopian Airlines cargo import gives a promise service to a customer	The employees at the import desk are always willing to help a customer	The agents of Ethiopian Airlines cargo import section are never too busy to attend to customer inquiries and requests	The agents are willing to accept feedback and comments on irregularities
Mean	3.2	3.35	3.56	3.3	3.37
Std. Deviation	1.106	1.008	1.063	0.984	1.093

Source- own result

4.2.2.4 Description of Assurance

As Table 4.6 the mean value for the assurance dimension questions shows relatively good value compared with the previous service quality dimension questions. Only the second assurance question which is "during business transactions a customer feels safe with the Airline as well as with the agents in handling the cases" shows a low mean value that is 3.25 with the standard deviation of 0.973. The other assurance dimension questions are all in between 3.39 and 3.79 that mean they are in moderate level of mean value which shows most respondents agree on the questions. The highest mean value for assurance dimension questions is laid on the fourth question that is "the agents at the import section have the knowledge to answer customer's

questions” which is 3.57 with a standard deviation of 1.093 that shows most respondents agree on the fourth question.

Table 4.6 Assurance Statistics

	The behavior of employees at the import section helps build the confidence of the customers	During a business transactions a customer feels safe with the Airline as well as with the agents in handling the cases	Agents at the import section are polite in handling customers	The agents at the import section have the knowledge to answer customer's questions
Mean	3.53	3.25	3.55	3.57
Std. Deviation	0.96	0.973	1.113	1.093

Source- own result

4.2.2.5 Description of Empathy

Regarding the empathy dimensions of service quality, as shown in Table 4.7 all the mean values are under 3.39 which show that there is a big gap regarding empathy dimension. And the only empathy dimension questions which lies in moderate case is the fourth empathy questions that says “the agents at the import desk understand the specific needs of their customers” has a mean value of 3.49 with a standard deviation of 1.048.

Table 4.7 Empathy Statistics

	The employees give customers individual attention	The employees at the import section give customers personal services when the need arises	The employees of cargo import section have their customers best interest at heart	The agents at the import desk understand the specific needs of their customers
Mean	3.29	3.29	3.32	3.49
Std. Deviation	1.197	0.988	1.02	1.048

Source- own result

4.2.3. Description of overall customer satisfaction

As we can see on table 4.8, 3.3 % of the respondents are strongly dissatisfied with the service quality they get from Ethiopian Airlines cargo import section. 12.3% of the respondents are dissatisfied and 35.6% are neutral that means they are neither satisfied nor dissatisfied with the service quality given.39.5% of the respondents are satisfied and the remaining 9.3% are very satisfied. That means Ethiopian airlines cargo import can satisfy only 48.8 % of importers which can rate their satisfaction as satisfied and strongly satisfied.

Table 4.8 Frequency distribution of overall customer satisfaction

Overall, how satisfied are you with the cargo import services provided by Ethiopian cargo					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly dissatisfied	11	3.3	3.3	3.3
	Dissatisfied	41	12.3	12.3	15.6
	Neutral	119	35.6	35.6	51.2
	Satisfied	132	39.5	39.5	90.7
	Strongly satisfied	31	9.3	9.3	100.0
	Total	334	100.0	100.0	

Source- own result

Generally the mean value for customer satisfaction is 3.39 with a standard deviation of 0.933 respectively (Table 4.9). The mean value for overall customer satisfaction is low that shows there is a big gap between what it should be and what it actually is.

Table 4.9 Overall customer satisfaction Statistics

		Overall, how satisfied are you with the cargo import services provided by Ethiopian cargo
N	Valid	334
	Missing	0
Mean		3.39
Std. Deviation		.933

Source- own result

4.2.4 Overall customer satisfaction on Personal vs. Company cargo importers

Customer satisfaction of personal cargo importers, as we can see from the Table 4.10 the mean value for personal cargo import on customer satisfaction is 3.34 with a standard deviation of .966 that means customer satisfaction for personal cargo delivery has a low mean value that is less than 3.4 which shows relatively a higher gap with what it should be. The mean value for company cargo delivery on customer satisfaction is also low (3.45) which is still less than 3.49 with a standard deviation of .899 that also shows there is relatively a higher gap between what it should be and what it actually is. Therefore as we can see it on the table though both mean values are categorized under low level, the mean value for company cargo import delivery is better than the personal one that indicates there is a better customer satisfaction for company cargo import delivery than personal cargo delivery side.

Table 4.10 Overall customer satisfaction Statistics On personal cargo and company cargo delivery

Overall, how satisfied are you with the cargo import services provided by Ethiopian cargo			
	N	Mean	Std. Deviation
Personal cargo importers	155	3.34	0.966
Company cargo importers	179	3.45	0.899
Total	334	3.39	0.933

Source- own result

Grand Mean Distribution for all variables

Mean tangibility is considered as a variable that takes the mean values of all the four questions of tangibility questions and derive a new grand mean for tangibility. As Table 4.11 The new tangibility mean that is 3.2844 with a standard deviation of 0.70939 shows there is a low level mean value or most respondents do not agree on the questions regarding tangibility dimensions and also since a standard deviation is less than one there is a high degree of getting similar output. The mean for reliability is 3.2192 with a standard deviation of 0.76883 is the lowest

mean value among all other service quality dimension questions. The mean value for responsiveness which is 3.3563 with a standard deviation of .77149 is the highest mean value among others. Empathy takes the second highest which is 3.3521 with a standard deviation of .80156 followed by assurance that is 3.4778 with a standard deviation of .79522.

Table 4.11 Descriptive Statistics for Grand Mean

	Mean	Std. Deviation	N
Tangibility	3.2844	.70939	334
Reliability	3.2192	.76883	334
Responsiveness	3.3563	.77149	334
Assurance	3.4778	.79522	334
Empathy	3.3521	.80156	334
Overall, how satisfied are you with the cargo import services provided by Ethiopian cargo	3.39	.933	334

Source- own result

4.3 Correlation Analysis

Correlation refers to synonym for association or the relationship between variables and it measures the degree to which two sets of data are related. As we can see from Table 4.12 Higher correlation value indicates stronger relationship between both sets of data. When the correlation is 1 or -1, a perfectly linear positive or negative relationship exists; when the correlation is 0, there is no relationship between the two sets of data (Vignaswaran, 2005).

Table 4.12 correlation value of coefficient

Value of coefficient	Relation between variables
0.70-0.90	Very strong association
0.50-0.69	Substantial association
0.30-0.49	Moderate association
0.10- 0.29	Low association
0.01-0.09	Negligible association

Source: Alwadael (2010)

As shown in the objective and conceptual framework of this study, to test the relationship between service quality dimensions and customer satisfaction, the following correlation analysis is performed. As we can see it on table 4.13 all the service quality dimensions have a significant positive relationship with customer satisfaction. The results indicate that, there is positive and strong relationship between empathy and customer satisfaction ($r = 0.596$, < 0.01), reliability and customer satisfaction ($r = 0.544$, $P < 0.01$), responsiveness and customer satisfaction ($r = 0.556$, $p < 0.01$) and there is substantial positive correlation among assurance and customer satisfaction ($r = 0.514$, $p < 0.01$) and finally there is a moderate positive correlation among tangibility and customer satisfaction ($r = 0.483$, $P < 0.01$). Empathy has a very strong positive correlation with customer satisfaction which is .596. among the service quality dimensions the one which have the least correlation with customer satisfaction is Tangibility that has a value of .483 which is in moderate association. The other three dimensions which are reliability, responsiveness and assurance have both the correlation value of more than 5 that means they do have a positive substantial association with customer satisfaction.

Table 4.13 correlation matrix of all service quality dimensions with customer satisfaction

SERVQUAL items		Overall Customer satisfaction
Tangibility	Pearson Correlation	.483**
	Sig. (2-tailed)	.000
Reliability	Pearson Correlation	.544**
	Sig. (2-tailed)	.000
Responsiveness	Pearson Correlation	.556**
	Sig. (2-tailed)	.000
Assurance	Pearson Correlation	.514**
	Sig. (2-tailed)	.000
Empathy	Pearson Correlation	.596**
	Sig. (2-tailed)	.000

Source- own result

4.4 Regression analysis

Basically, regression analysis was carried out in order to test the extent of the impact of independent variables on dependent variable. But before regression analysis is formulated we

have to take the co linearity test and check the VIF (variance inflation factor) and degree of tolerance. Thus, this co linearity analysis is performed to address the problem.

Table 4.14 regression estimates multi co linearity statistics

	Un standardized Coefficients		Standardized Coefficients	t	Sig.	Co linearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.513	.208		2.472	.014		
Mean Tangibility	.326	.082	.061	.976	.024	.467	2.143
Mean Reliability	.158	.089	.130	1.764	.031	.332	3.008
Mean Responsiveness	.210	.087	.174	2.409	.017	.347	2.880
Mean Assurance	.287	.081	.024	.344	.013	.376	2.659
Mean Empathy	.390	.082	.336	4.789	.000	.367	2.724

Source-own result

Multi-co-linearity is the situation in which the independent variables are highly correlated. According to (Ho,et.,al,2006), if tolerance values are above 0.1 and variance inflation factor, which is 1/tolerance is less than 10, thus it's possible to construct a regression model. As we can see it from table 4.15 the tolerance value for all service quality dimensions are above 0.1 and the VIF is less than 10, thus we can conclude that there is no multi-co-linearity problem so that we can run regression model. Simple regression model is performed to address hypothesis 2,3,4,5,& 6 "All service quality dimensions have a strong positive impact on customer satisfaction." The equation can be as follows

$$Y=B_0+B_1X_1+B_2X_2+B_3X_3+B_4X_4+B_5X_5+e$$

Where Y= customer satisfaction (the dependent variable)

B_0 = the constant

B_1 - B_5 = the Beta coefficients for their respective variables

X_1 - X_5 = the independent variables

Thus: Customer Satisfaction = .513+.326(tangibility) +.158(reliability) +.210(responsiveness) +.287(assurance) +.390(empathy) +e

4.4.1 Simple regression of Tangibility

To assess the extent of impact of Tangibility on customer satisfaction, simple regression analysis was carried out. The result of the regression model shown in Table 4.16 indicates the value of the regression coefficient (R= .483, R- square = .233 and adjusted R- square = .231 and the model F= 100.851 and significance level of P=.000) for customer satisfaction indicates that the model is significant at p<.001, 2-tailed. Thus, the aggregated effect of tangibility on customer satisfaction is explained by the value of the R square, which indicates that 23.3% of tangibility in Ethiopian Airlines cargo import section is accounted specifically for customer Satisfaction. It also means that 23.3% of the change in customer satisfaction is explained by tangibility.

Table 4.15 Simple Regression of Tangibility and Customer Satisfaction

Model Summary of Mean Tangibility and Customer Satisfaction					
Model	R	R Square	Adjusted R Square		
				F Change	Sig. F Change
1	.483 ^a	.233	.231	100.851	0.000
Coefficients					
Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.308	.212		6.161	0.000
Tangibility	.635	.063	.483	10.042	0.000

Source- own result

The beta coefficient of the model in Table 4.16 which indicates the beta value of the constant is 1.308 for customer satisfaction whereas; the beta value for the predictor variable (Tangibility) is .635 for customer satisfaction. The t-value of 10.042 for customer satisfaction with the p-value of .000 indicates the model is significant at p<.001. Therefore, the beta coefficient (Beta=.635) implies a unit increase in tangibility will result in 63.5 % increase in customer satisfaction.

4.4.2 Simple Regression of Reliability

To assess the extent of impact of Reliability on customer satisfaction, simple regression analysis was carried out. The result of the regression model shown in Table 4.17 indicates the value of the regression ($R = .544$, $R^2 = .296$ and adjusted $R^2 = .264$ and the model $F = 139.556$ and significance level of $P = .000$) for customer satisfaction indicates that the model is significant at $p < .001$, 2-tailed. Thus, the aggregated effect of reliability on customer satisfaction is explained by the value of the R^2 , which indicates that 29.6% of reliability in Ethiopian Airlines cargo import section is accounted specifically on customer Satisfaction.

Table 4.16 Simple Regression of Reliability and Customer Satisfaction

Model Summary of Mean Reliability Customer Satisfaction					
Model	R	R Square	Adjusted R Square		
				F Change	Sig. F Change
1	.544 ^a	.296	.294	139.556	0.000
Coefficients					
Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.268	.185		6.859	0.000
Reliability	.660	.056	.544	11.813	0.000

Source- own result

The beta coefficient of the model in Table 4.17 indicates the beta value of the constant is 1.268 for customer satisfaction whereas; the beta value for the predictor variable (Reliability) is .660 for customer satisfaction. The t-value of 11.813 for customer satisfaction with the p-value of .000 indicates the model is significant at $p < .001$. Therefore, the beta coefficient of reliability for customer satisfaction ($Beta = .660$) implies the level of customer satisfaction will increase by 66 % if reliability increase by one unit.

4.4.3 Simple Regression of Responsiveness

The result of the regression model shown in Table 4.18 indicates the value of the regression coefficient ($R = .556$, $R^2 = .309$ and adjusted $R^2 = .307$ and the model $F = 148.282$

and significance level of $P=.000$) for customer satisfaction indicates that the model is significant at $p<.001$, 2-tailed. Thus, the aggregated effect of responsiveness on customer satisfaction is explained by the value of the R square, which indicates that 30.9 % of responsiveness in Ethiopian Airlines cargo import section is accounted specifically on customer Satisfaction.

Table 4.17 Simple Regression of responsiveness and Customer Satisfaction

Model Summary of Mean Responsiveness customer Satisfaction					
Model	R	R Square	Adjusted R Square		
				F Change	Sig. F Change
1	.556 ^a	.309	.307	148.282	0.000
Coefficients					
Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.138	.190		5.991	0.000
Responsiveness	.672	.055	.556	12.177	0.000

Source-own result

The beta coefficient of the model in Table 4.18 indicates the beta value of the constant is 1.138 for customer satisfaction whereas; the beta value for the predictor variable (Responsiveness) is .672 for customer satisfaction. The t-value of 12.177 for customer satisfaction with the p-value of .000 for both dependent variables indicates the model is significant at $p<.001$. Therefore, the beta coefficient of responsiveness (Beta=.672) implies a unit increase in responsiveness will result in 67.2 % increase in customer satisfaction.

4.4.4 Simple Regression of Assurance

To assess the extent of impact of Assurance on customer satisfaction, simple regression analysis was carried out. The result of the regression model shown in Table 4.19 indicates the value of the regression coefficient ($R= .514$, $R\text{-square} = .264$ and adjusted $R\text{-square} = .262$ and the model $F= 118.962$ and significance level of $P=.000$) for customer satisfaction indicates that the model is significant at $p<.001$, 2-tailed. Thus, the aggregated effect of assurance on customer satisfaction

is explained by the value of the R square, which indicates that 26.4 % of assurance in Ethiopian Airlines cargo import section is accounted specifically for customer Satisfaction.

Table 4.18 Simple Regression of Assurance and Customer Satisfaction

Model Summary of Mean Assurance Customer Satisfaction					
Model	R	R Square	Adjusted R Square		
				F Change	Sig. F Change
1	.514 ^a	.264	.262	118.926	0.000
Coefficients					
Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.298	.197		6.587	0.000
Assurance	.602	.055	.514	10.905	0.000

Source-own result

The beta coefficient of the model in Table 4.19 indicates the beta value of the constant is 1.298 for customer satisfaction whereas; the beta value for the predictor variable (Assurance) is .602 for customer satisfaction. The t-value of 10.905 for customer satisfaction with the p-value of .000 indicates the model is significant at $p < .001$. Therefore, the beta coefficient of responsiveness for customer satisfaction in that (Beta=.602) implies a unit increase in assurance will result in 60.2 % increase in customer satisfaction.

4.4.5 Simple Regression of Empathy

To assess the extent of impact of Empathy on overall service quality and on customer satisfaction, simple regression analysis was carried out. The result of the regression model shown in table 4.20 indicates the value of the regression coefficient ($R = .596$, $R\text{-square} = .356$ and adjusted $R\text{-square} = .354$ and the model $F = 183.339$ and significance level of $P = .000$) for customer satisfaction indicates that the model is significant at $p < .001$, 2-tailed. Thus, the aggregated effect of empathy on customer satisfaction is explained by the value of the R square, which indicates that 35.4 % of empathy in Ethiopian Airlines cargo import section is accounted specifically on customer Satisfaction.

Table 4.19 Simple Regression of Empathy and Customer Satisfaction

Model Summary of Mean Empathy Customer Satisfaction					
Model	R	R Square	Adjusted R Square		
				F Change	Sig. F Change
1	.596 ^a	.356	.354	183.339	0.000
Coefficients					
Model	Un-standardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.066	.177		6.035	0.000
Empathy	.694	.051	.596	13.540	0.000

Source- own result

The beta coefficient of the model in Table 4.19 indicates the beta value of the constant is 1.066 for customer satisfaction whereas; the beta value for the predictor variable (Empathy) is .694 for customer satisfaction. The t-value 13.540 with the p-value of .000 indicates the model is significant at $p < .001$. Therefore, the beta coefficient of (Beta=.694) implies a unit increase in assurance will result in 69.4 % increase in customer satisfaction.

4.4.6 The effect of service dimensions on overall customer satisfaction

Table 4.20 indicates that about 40.9 % ($R^2=0.409$) of the variance in the overall customer satisfaction is explained by the service quality dimensions. In addition, the results demonstrate that there is positive and statistically significant ($p < 0.05$, $F=.723$) relationship between service quality dimensions and overall customer satisfaction. Therefore all the service quality dimensions are significant positive impact on customer satisfaction of Ethiopian Airlines cargo import.

As shown on the table the service quality dimensions separately have different significant levels. This indicates that they have a different impact on customer satisfaction. When we look at them one by one there is a positive and statistically significant ($p < 0.05$, $\beta = 0.390$) impact between

empathy and customer satisfaction that means a unit increase in empathy will increase customer satisfaction by 39 %.

Table 4.20 simple regression of all service quality dimensions on customer satisfaction

Model Summary of Overall SERVQUAL Dimensions on Customer Satisfaction					
Model	R	R Square	Adjusted R Square		
				F Change	Sig. F Change
1	.639 ^a	.409	.400	.723	0.000
Coefficients					
Model	Un-standardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	.513	.208		2.472	.014
Mean Tangibility	.326	.082	.061	.976	.024
Mean Reliability	.158	.089	.130	1.764	.031
Mean Responsiveness	.210	.087	.174	2.409	.017
Mean Assurance	.287	.081	.024	.344	.013
Mean Empathy	.390	.082	.336	4.789	.000

Source- own result

4.5 Hypothesis Testing

Hypothesis	Independent Variables	Analysis used	Dependent Variables	Results
H1	Reliability	Multiple regression	Customer Satisfaction	Supported
H2	Assurance	Multiple regression	Customer Satisfaction	Supported
H3	Responsiveness	Multiple regression	Customer Satisfaction	Supported
H4	Empathy	Multiple regression	Customer Satisfaction	Supported
H5	Tangibility	Multiple regression	Customer Satisfaction	Supported

The above table shows that variables that were tested by correlation statistical tests, which are five dimensions, have strong relationship with customer satisfaction and also there is positive relationship between overall service quality and customers satisfaction. Therefore, the six hypotheses that assumed earlier to accomplishing study were supported by all dimensions.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Based on the results of the study obtained through the questionnaire distributed to 334 importers of Ethiopian Airlines cargo, the following summary, conclusions and recommendations were made.

5.1 Summary of Findings

The aim of the study was to identify the effects of service quality on customer satisfaction of Ethiopian Airlines cargo import section. On the review of theoretical, conceptual and empirical related literature of the study, the five service quality dimensions have a significant impact on customer satisfaction.

In conducting this study, the required data is obtained through self administered structured questionnaires. To check the validity and reliability of the adopted instruments validity and reliability test was also carried out. To determine the sample size from the total population of the study, the researcher uses formula based-sample size determination. The target population was also stratified in to two major groups. To select respondents from each stratum simple random sampling technique was adopted. The service quality was measured using the five service quality dimensions (tangibles, reliability, responsiveness, assurance and empathy) and the satisfaction level of respondents was measured using a five point likert scale ranging from strongly disagree(1) to strongly agree(5). Basically, a total of 364 questionnaires were distributed to the sampled importers, among these 346 were returned, of which, 12 responses were uncompleted. Thus, 334 returned questionnaires are analyzed using statistical package for social science (SPSS). In the analysis descriptive statistics, correlation analysis and simple regression analysis was performed.

The descriptive finding of the study shows that all the five dimensions of service quality has a positive relation with overall service quality and customer satisfaction but tangibility and reliability has a low mean value. Responsiveness has the highest mean value among the other dimension and its 3.3563. Regarding customer satisfaction level of the import section 3.3 % of

the respondents are very dissatisfied, 12.3 % dissatisfied, 35.6 % are neutral that means neither dissatisfied nor satisfied, 39.5 % are satisfied and the rest 9.3 % are very satisfied.

The impact of service quality dimensions on customer satisfaction was measured by simple linear regression model. The results indicate that there is a positive ($p < 0.01$) relationship between service quality dimensions and customer satisfaction

On the process of checking whether there is a difference in service quality and customer satisfaction on the bases of personal and company cargo delivery, the result indicates that there is a better service quality and customer satisfaction for company cargo import side or at least it's found to be better in the eyes of company cargo importers.

5.2 Conclusion

The current study involves an attempt to provide important findings to business managers as they develop their business strategies. Ethiopian Airlines cargo import customers have complained about quality of service provided by Ethiopian cargo (Ethiopian Fortune, 2011). This research study provides important information about the perceptions of Ethiopian cargo import services that can enable managers to improve service quality and attain customer satisfaction. The conclusions reached and proposed managerial implications as a result of the data analysis are discussed as follows:

The primary objective of the study is to determine the effects of service quality dimensions on customer satisfaction in Ethiopian Airlines cargo import section by using the SERVQUAL model.

The findings of the study demonstrates that there is a positive and significant relationship between overall service quality dimensions and customer satisfaction. In conclusion this means that delivering a service with high quality will lead to a higher customer satisfaction.

Tangibility has the lowest mean value but it has a big impact on customer satisfaction so from this we can conclude there is a tangibility problem on cargo and the location is not convenient for transportation.

The mean value of company cargo import for the overall service quality is more than the personal one that indicates there is a better customer satisfaction for the company cargo delivery side.

Regarding the customer satisfaction level difference in personal and company cargo, the mean values for both kinds of cargoes are categorized under low level but the mean value for company cargo delivery is better than the personal one that indicates there is a better customer satisfaction for company cargo importers than personal cargo importers.

The overall service quality of personal cargo delivery has a low mean value which shows relatively a higher gap with what it should be. The mean value for company cargo delivery on overall service quality is moderate that shows there is relatively a smaller gap between what it should be and what it actually is.

Empathy has a strong relation with customer satisfaction among the other service quality dimensions and next is responsiveness then reliability.

5.3 Recommendation

On the basis of the above findings and conclusions, the following recommendations can be forwarded.

Empathy is the first dimensions of service quality that have a very significant influence on customer satisfaction. So cargo import section should focus on this dimension to keep its promise and deliver a quality service in order to raise the level service quality and customer satisfaction.

As per the result of the study next to empathy, Tangibility has a highest impact on customer satisfaction. So cargo managers has to make a plan to make the environment more convenient for transportation and there should also need to have a bridge to cross the highway since its located in the middle of the way from bole airport to bole micahel as it is very inconvenient and cause for many car accident on the customers.

Ethiopian Airlines cargo import section should work hard to improve the service quality in order to get satisfied customers since 3.3 % of the respondents are strongly dissatisfied, 12.3% are

dissatisfied and 35.6% of the respondents are neutral. So improving the overall quality of the section is unquestionable to raise the customer satisfaction to a better level.

The section needs to create a good working environment to its employees and also needs to create a good communication between its front line and back office staff because their success depends on one another this good working condition will enable employees to give individual attention to their customers and help them understand and serve well their specific needs and also happy employees yields happy customers.

In general delivering excellent quality service will make Ethiopian Airlines cargo stand out among its competitors. In the airline industry like most of service industry delivering quality service is essential for the existence, survival and success of the airlines. So cargo import section needs to monitor and measure the level of service quality it delivers to its customers on a regular base by conducting different surveys.

5.4 Limitation of the Study

This study is limited to Ethiopian airlines cargo incoming section. However there are different sections that Ethiopian airlines cargo service reaches to its customers like cargo export which connect to exporters, cargo transit which transit shipments handled and other sections this study will consider only on the customers of Ethiopian airlines cargo incoming section. The study is analyzed from the customer perspective only and it measures the impact of service quality on customer satisfaction. Though customer satisfaction is the result of many other variables especially in the airline industry, the study focuses only on the service quality effect of customer satisfaction. Moreover even though there are about five airlines operating in the cargo import sector, this study only encompasses Ethiopian Airlines. Cargo airline industry covers Export, Import and Transit activities, but the study focused only on the import activity.

5.5 Future area of research

Future researchers, who want to investigate similar area, may include customers of Ethiopian Airlines cargo export and transit sections and conduct comparison analysis to whether there is a service quality and customer satisfaction difference in between different sections of the same airlines and also between the passenger and cargo section of Ethiopian Airlines. Moreover they

can further investigate the levels of service quality and customer satisfaction among itself and its main competitors using other service quality measurement tools. Since this study focus only on the relationship between service quality and customer satisfaction, future researchers may include other factors that can have a big impact on customer satisfaction and do a survey.

References

- Air cargo Focus, (2012), Cargo Networks Services Corporation IATA(<http://www.cnsc.net>).
- Anderson, E.W., Fornell, C. & Lehmann, D.R. (1994). Customer satisfaction, market share, and profitability: findings from Sweden. *Journal of Marketing*, Vol. 58, pp. 53-66.
- Anderson, E.W., Fornell, C. & Lehmann, D.R. (1994). Customer satisfaction, market share, and profitability: findings from Sweden. *Journal of Marketing*, Vol. 58, pp. 53-66.
- Atalik, O. & Arslan, M. (2009). A Study to Determine the Effects of Customer Value on Customer Loyalty in Airline Companies Operating: Case of Turkish Air Travelers. *International journal of business and management*, 4 (6), pp. 154-162.
- Audrey,G. (2003) *Services, Marketing and Management*,1st Ed, SAGE Publications Ltd 6 Bonhill Street London, pp. 221-234.
- Babakus E, Boller GW (1992). An Empirical Assessmentof the SERVQUAL Scale, *J. Bus. Res.* 24(3): 253 – 68.
- Bewket Abebe Fortune Published On September 29, 2013 [Vol 14 ,No 700].
- Bhattacharjee,A. (2012) *social science research: principles, methods, and practices* 2nd ed, A free textbook published under the Creative Commons Attribution 3.0 License The Global Text Project is funded by the Jacobs Foundation, Zurich, Switzerland.
- Buttle, F. (1995). SERVQUAL: review, critique, research agenda. *European Journal of Marketing*, 30(1), 8-32.
- Cronin, J.J., & Taylor, S.A. (1992). Measuring service quality: A reexamination and extension. *Journal of Marketing*, 56(3), 55-68.
- Daniel I. Prajogo (2005) the comparative analysis of TQM practices and quality Performance between manufacturing and service firms, *International Journal of Service Industry Management*, Vol. 16No. 3, pp. 217-228.
- Cronin, J.J., & Taylor, S.A. (1992). Measuring service quality: A reexamination and extension. *Journal of Marketing*, 56(3), 55-68.

David Scott, Robin Ushe,(2002),Understanding Educational Research

Dejene Deriba, (2012). An Assessment of the Level of Service Quality and Customer Satisfaction: The Case of Ethio Telecom.

Ekaterina Tolpa (2012): Measuring Customer Expectations of Service Quality: case Airline Industry Master's thesis Department of Information and Service Economy Aalto University School of Economics

Hewan Abera (2014):Measuring service quality and customer satisfaction in Ethiopian airlines cargo incoming section. Master's thesis Department of Marketing :Addis Ababa School of Commerce

Fernandez-Gonzalez, A.J. & Prado, C.J. (2007). Measurement and analysis of customer satisfaction: company practices in Spain and Portugal. *International Journal of Productivity and Performance Management*, 56, 500-517.

Gronroos, C. (2001). The perceived service quality concept – a mistake? *Managing Service Quality*. 11 (3), 150-152.

Grönroos, C. 1982. *Strategic Management and Marketing in the Service Sector*, Swedish School of Economics and Business Administration, Helsinki.

Grönroos, C. 1984. *Strategic management and marketing in the service sector*. Cambridge: Marketing Science Institute.

Gustafsson, A. Johnson, D.M. & Roos, I. (2005). The Effects of Customer Satisfaction, Relationship Commitment Dimensions, and Triggers on Customer Retention. *Journal of Marketing*, 69, pp. 210–218.

Ho, C. & Wu, W. (1999). Antecedents of customer satisfaction on the Internet: An empirical study of online shopping, In *Thirty-second Annual Hawaii International Conference on System Sciences*, 5, IEEE Computer Society. Retrieved on October 28, 2011, from <http://www.computer.org/>

Iacobucci, D., Ostrom, A. & Grayson, K. (1995), Distinguishing Service Quality and Customer Satisfaction: the voice of the Consumer, *Journal of Consumer Psychology*, Vol. 4 No. 3, pp. 277-303.

John Adams, hafiz t.a khan, Raeside,R. &white,D. (2007) research methods

For graduate business and social sciences students, SAGE

Publications Ltd, Mathura road, New Delhi.

John w. creswell (2014), research design, university of Nebraska Lincoln, pp. 83-215.

Kotler,P. Wong,V. Saunders,J. Armstrong,G. (2005) principle of marketing European edition, Pearson education limited, pp. 201-211.

Keng-Boon,O., Binshan,L. Boon-In,T. and Alain,Y. (2011) "Are TQMpractices Supporting customer satisfaction and service quality?" *Journal of Services Marketing*, Vol. 25 NO: 6, pp.410-419.

Lewis, B. (1993), "Service quality: recent developments in financial services", *International Journal of Bank Marketing*, Vol. 11 No. 6, pp. 19-25.

Lothar Moehle Cargo (2000) Quality & Industry Standard For The Global Air Cargo Industry,www.calogi.com/.../C2K-Standard-Presentation-V.2.13-2008-06-02.pdf.accessed on 04feb14

Lovelock,C. &Lauren,W. (1999) principles of service marketing and

Management Prentice-Hall: New Jersey. pp. 84-101.

McDougall, G. & Levesque, T. (2000). Customer Satisfaction with services: Putting perceived value into the equation. *Journal of services marketing*, 14 (5), 392-410.

Michael D., Christopher G., Tzu H., and Michelle C. (2008), "An empirical analysis of customer satisfaction in international air travel", *Innovative Marketing*, Vol. 4, Issue 2, pp 49-62.

Oliver, R. (1997). "A cognitive model of the antecedent and consequences of satisfaction decisions". *Journal of Marketing Research*, Vol. 17(10), pp. 460-469.

Parasuraman, A. Zeithaml, V. A. and Berry, L. (spring, 1988). SERVQUAL: A Multiple- Item Scale for Measuring Consumer Perceptions of Service Quality. *Journal of Retailing*, Vol 64, NO.1 pp.12-40.

Parasuraman, A., Zeithaml, V., & Berry, L.L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49, 41-50.

Parasuraman, A., Zeithaml, V. and Berry, L.L. (1991). Refinement and reassessment of the SERVQUAL scale. *Journal of Retailing*, 67 (4), 420-50.

Parasuraman, A., Zeithaml, V. & Berry, L.L. (1994). Reassessment of expectations as a comparison standard in measuring service quality: implications for future research. *Journal of Marketing*, 58, 111-24.

Philip,G. and Shirley-Ann,H.(1997) The measurement of service quality: a new P-C-P attributes model, *International Journal of Quality &Reliability Management*,, Vol. 14 , No. 3, pp. 260-286.

Potluri, R. M. and Mangnale V. S (2010). An Assessment of Ethiopian Telecom Customer Satisfaction. *Global Journal of Management and Business Research*, 10(4) pp. 10-15.

Rust, R.T. & Zahorik, A.J. (1993). Customer Satisfaction, Customer Retention, and Market Share. *Journal of Retailing*, 69 (2), 193-215.

Sang-Lin Han, (2004). Antecedents and Consequences of Service Quality in Online Banking: An Application of the SERVQUAL Instrument, *Hanyang University Advances in Consumer Research* Volume 31, pp. 88.

Taylor,R. (1990) interpretation of correlation cofficent a basic review, *journal of Medicalsonography*, vol6, no1 pp 35-39.

Zeithaml, V.A., Parasuraman, A. & Berry, L.L. (1993), *Delivering quality service; Balancing customer perceptions and expectations*, The Free Press, New York, NY.

Zeithaml, V.A., Berry, L.L., Parasuraman, A. (1996), "The behavioral Consequences of service quality", *Journal of Marketing*, Vol. 60 No.2, pp.31-46.

Zeithaml, V.A. and Bittner (2006). The Impact of Emerging WLANs on Incumbent Cellular Service Providers in the U.S. M.J. Services marketing, McGraw-Hill Singapore.

Zeithaml, V.A. 2001. Some new thoughts on conceptualizing perceived service quality: A hierarchical approach. Journal of Marketing, Vol.65, pp. 34-49.

<https://www.ethiopianairlines.com/EthiopianAirlinMonthlyNewsletter/2015/What-s-Up-ET-in-February-2015-Newletter.pdf>, pp. 11-12.

<https://www.ethiopianairlines.com/corporate/group/cargo/customer-satisfaction-survey>

APPENDIX A: - Questioner distributed for import customers

The Effects of Service Quality on Customer Satisfaction: (The Case of Ethiopian Airlines Cargo import Section)

Dear respondents;

I would like to thank you in advance for taking your time to fill out this questioner as your input will be a key in developing my research on the effects of service qualities of Ethiopian Airlines cargo import on customer satisfaction. The purpose of this survey is to make a partial fulfillment of the requirements for the Masters of art degree in Marketing Management in Addis Ababa University School of Commerce. The questioner has three major parts. Part one deals with the background of the respondent, part two deals with service quality items to be measured by the level of customer satisfaction and part three is all about the overall satisfaction level of the customers. The questions don't take you more than 5 minutes to complete so you are kindly requested to fill all questions completely. Thank you again.

Part I - Background of respondents

Instructions: please select an appropriate response category by circling an appropriate choice against each question

1. Sex

A) Male B) Female

2. Age

A) 18-25 B) 26-35 C) 36-45 D) 46-55 E) above 56

3. Educational background

A) less than 10+2 B) Diploma C) Degree D) MA and above

4. Type of customer

A) Personal B) Company

5. Location of customer

A) Within Addis Ababa B) Outside of Addis Ababa

Part II -Service Quality Questions

Please rate each statement by encircling the appropriate number on a five point Likert scale questions. Where 1. Strongly Disagree 2. Disagree 3. Neutral 4. Agree 5. Strongly agree

1. Tangibility

1.1 Ethiopian airlines cargo import section has an up-to-date and enough equipment used in the cargo terminal import section.

1 2 3 4 5

1.2 The physical setting and the atmosphere of Ethiopian Airlines cargo office is virtually appealing.

1 2 3 4 5

1.3 The Agents at the cargo terminal import section are neat and well groomed.

1 2 3 4 5

1.4 The location of cargo office is convenient for transportation.

1 2 3 4 5

2. Reliability

2.1 Ethiopian Airlines cargo import always keeps its promise and delivers what they have promised.

1 2 3 4 5

2.2 Employees of cargo import section show sincere interest in solving the problems you have as a customer.

1 2 3 4 5

2.3 The service given at the cargo import is always right at the First time.

1 2 3 4 5

2.4 There is a timely delivery of service and every information is communicated on the right time.

1 2 3 4 5

2.5 Records that are needed are kept accurately and every document arrived at destination safe and on time with the shipment.

1 2 3 4 5

3. Responsiveness

3.1 Information is kept in a way to be easily obtainable by a customer at any time.

1 2 3 4 5

3.2 Ethiopian Airlines cargo import gives a promise service to a customer.

1 2 3 4 5

3.3 The employees at the import desk are always willing to help a customer.

1 2 3 4 5

3.4 The agents of Ethiopian Airlines cargo import section are never too busy to attend to customer inquiries and requests.

1 2 3 4 5

3.5 The agents are willing to accept feedback and comments on irregularities.

1 2 3 4 5

4. Assurance

4.1 The behavior of employees at the import section helps build the confidence of the customers.

1 2 3 4 5

4.2 During business transactions a customer feels safe with the Airline as well as with the agents in handling the cases.

1 2 3 4 5

4.3 Agents at the import section are polite in handling customers.

1 2 3 4 5

4.4 The agents at the import section have the knowledge to answer customer's questions.

1 2 3 4 5

5. Empathy

5.1 The employees give customers individual attention.

1 2 3 4 5

5.2 The employees at the import section give customers personal services when the need arises.

1 2 3 4 5

5.3 The employees of cargo import section have their customers' "best interest at heart"

1 2 3 4 5

5.4 The agents at the import desk understand the specific needs of their customers.

1 2 3 4 5

Part III - Overall Customer Satisfaction question

1. Overall, how satisfied are you with the cargo import services provided by Ethiopian cargo?

a) Strongly Dissatisfied b) Dissatisfied c) Neutral d) Satisfied e) Strongly Satisfied

የአገልግሎት አሰጣጥ ጥራት በደንበኞች እርካታ ላይ የሚኖረው ውጤት (የኢትዮጵያ አየር መንገድ የጭነት አስመጪ ክፍል የኬዝ ጥናት)

የኢትዮጵያን አየር መንገድ የጭነት አስመጪ ክፍል የአገልግሎት አሰጣጥ ጥራት በደንበኞች እርካታ ላይ ያለው ተጽእኖ የሚለውን ጥናቱን ለማከናወን ከእናንተ የሚገኘው ግብዓት ቁልፍ በመሆኑ ጊዜያችሁን መስዋት በማድረግ ይህንን መጠየቅ በመሙላታችሁ አስቀድሞ አመሰግናለሁ፡፡

የዚህ ጥናት አለማ በኢ.አ ዩንቨርሲቲ በገበያ ሥራ አስተዳደር በማስተር ኦፍ ኦርት ዲግሪ ለመስራት በከፊል ማሟያ የሆነውን ጥናቱን ለመስራት ነው። መጠየቁ ሶስት ዋና ዋና ክፍሎች አሉት የመጀመሪያው ክፍል የመላሹ ድህረ ታሪክ ላይ ያተኮረ ሲሆን ፣ሁለተኛው ክፍል በደንበኞች እርካታ ደረጃ የሚለካውን የአገልግሎት አሰጣጥ ጥራቶች ላይ ያተኮረ ነው፤ ሶስተኛው ክፍል ደግሞ የደንበኞች አጠቃላይ እርካታ ላይ ያተኮረ ነው። በመጠይቁ ውስጥ ያሉትን መጠይቆች ሞልቶ ለመጨረስ ከ5 ደቂቃ በላይ አይወስድብዎትም ስለሆነም ሁሉንም ጥያቄዎች ሙሉ በሙሉ እንዲሞሉ እጠይቃለሁ።

መመሪያዎች፦ በኢያንዳንዱ ጥያቄዎች ስር ያሉትን አማራጭ ፊደል በማከብብ እባክዎ ትክክለኛ የሆነውን መልስ ይምረጡ።

- ሀ. በኦዲስ አበባ ውስጥ**

1.1 የኢትዮጵያ አየር መንግድ የጭነት ማስገቢያ ክፍል በጭነት ማስገቢያ ክፍሉ ውስጥ ጥቅም ላይ የሆነ ዘመናዊ የሆኑ እና በቂ መሳሪያዎች አሉት፡፡

5

1.2 የኢትዮጵያ አየር መንገድ የጭነት ማስተናገጃ ቢሮ አካላዊ አቀማመጥ እና ሁኔታ በተጨማሪም ሳቢ ነው።

1 2 3 4 5

1.3 በጭነት ማስገቢያ ተርጉሚናል ክፍሉ ላይ የሚሰሩት ወኪሎች (ሰራተኞች) ጉዳይ እና ስርዓት ያለው አላባባስ የለበሱ ናቸው፡፡

1 2 3 4 5

1.4 የጭነት ቢሮው የሚገኝበት ቦታ በመጓጓዣ አገልግሎት ምቹ በሆነ ቦታ ላይ ነው።

1 2 3 4 5

2 ተአማኒነት

2.1 የኢትዮጵያ አየር መንገድ የጭነት ማስገቢያ ክፍል የገባውን ቃል ሁልጊዜ ያከብራል እንዲሁም ይተገብራል፡፡

1 2 3 4 5

2.2 የጭነት ማስገቢያ ክፍል ሰራተኞች እርስዎ እንደ ደንበኛ ያሉባትን ችግሮች ከልብ የመነጨ ፍላጎት አሉዋቸው፡፡

1 2 3 4 5

2.3 በጭነት ማስገቢያ ክፍል ለመጀመሪያ ጊዜ የሚሰጥ አገልግሎት ሁልጊዜ ትክክለኛ (ከስህተት የጸዳ) አገልግሎት ነው፡፡

1 2 3 4 5

2.4 አገልግሎት በወቅቱ የሚሰጥ ሲሆን ማንኛውም መረጃ በትክክለኛው ጊዜ እንዲደርስ ይደረጋል፡፡

1 2 3 4 5

2.5 አስፈላጊ የሆኑ መዛግብት በትክክል የሚመዘገቡ (የሚያዙ) ሲሆን በሚፈለጉበት ቦታ እንዲደርሱ የሚደረጉ እያንዳንዳቸው ሰነዶች ከጭነቱ ጋር ደህንነታቸው ተጠብቆ በወቅቱ እንዲደርሱ ይደረጋል፡፡

1 2 3 4 5

3 ምላሽ ሰጪነት

3.1 መረጃ ደንበኛ በፈለገው ጊዜ በቀላሉ ሊያገኝ በሚችልበት መንገድ ይያዛል፡፡

1 2 3 4 5

3.2 የኢትዮጵያ አየር መንገድ የጭነት ማስገቢያ ይሰጣል ተብሎ ቃል የተገባበትን አገልግሎት ይሰጣል

1 2 3 4 5

3.3ከውጪ ማስገቢያ ዴክስ ላይ የሚሰሩ ሰራተኞች ሁልጊዜ ደንበኛን ለመርዳት ፍቃደኛ ናቸው፡፡

1 2 3 4 5

3.4 የኢትዮጵያ አየር መንገድ የጭነት ማስገቢያ ሰራዊቶች/ወኪሎች የደንበኛን ፍላጎት እና ጥያቄን ተቀብሎ ለማስተናገድ ስራ የሚበዛባቸው አይደሉም፡፡

1 2 3 4 5

3.5 ወኪሎቹ ያልተለመዱ አሰራሮች በሚያጋጥሙ ጊዜ ግብረመልስ እና አስተያየቶችን ለመቀበል ፍቃደኞች ናቸው፡፡

1 2 3 4 5

4 ഗുഹ്യം

4.1 በማስገቢያ ክፍሉ ውስጥ የሚሰሩ ሰራተኞች ባህሪ ደንቦች እምነት እንዲያድርባቸው ይረዳቸዋል፡፡

1 2 3 4 5

4.2 ስራ በሚሰራበት ጊዜ ደንበኛ በአየር መንገድ ላይ እና ስራዎችን በሚሰሩት ወይም በሚያስፈጽሙት ወኪሎች ላይ የደህንነት ስሜት ይሰማዋል፡፡

1 2 3 4 5

4.3 ከውጪ ከማስገቢያ ክፍል ላይ ያሉ ወኪሎች ደንበኞችን በሚያስገቡበት ጊዜ ትሁት ሆነው ያስተናግዳሉ፡፡

1 2 3 4 5

4.4 ከውጪ ከማስገቢያ ክፍል ላይ ያሉ ሰራተኞች የደንበኞችን ጥያቄ ለመመለስ እውቀቱ አላቸው፡፡

1 2 3 4 5

5 ደንበኞችን መረዳት

5.1 ሰራተኞቹ እያንዳንዱን ደንበኛ ትኩረት ሰጥተው ያስተናግዳሉ፡፡

1 2 3 4 5

5.2 ከውጪ አገር በማስገቢያ ክፍል ውስጥ የሚሰሩ ሰራተኞች አስፈላጊ ሆኖ ሲገኝ ለደንበኞች በግል አገልግሎቶቹን ይሰጣሉ፡፡

1 2 3 4 5

5.3 ጭነት ከውጪ አገር ማስገቢያ ክፍል ውስጥ የሚሰሩ ሰራተኞች ደንበኞቻቸው ከልባቸው የሚፈልጉትን ነገር ይረዳሉ፡፡

1 2 3 4 5

5.4 ከውጪ ማስገቢያው ደብዳቤ ላይ የሚሰሩት ወኪሎች የእያንዳንዱን ደንበኛ ልዩ ፍላጎት ይገነዘባሉ፡፡

1 2 3 4 5

ክፍል ሶስት - አጠቃላይ የደንበኛ እርካታ ጥያቄዎች

1. በአጠቃላይ ሲታይ በኢትዮጵያ አየር መንገድ ከውጪ የሚገባ ጭነት አገልግሎት አሰጣጥ ላይ ምንያህል እርካታ ይሰማዎታል?

ሀ. በጣም እርካታ አይሰማኝም

ሐ. አስተያየት የለኝም

ለ. እርካታ አይሰማኝም

መ. እርካታ ይሰማኛል

ሠ. በጣም እርካታ ይሰማኛል

APPENDIX B: - frequency distribution of the independent variables

Demographic profile of respondents

Respondent's Sex					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	234	70.1	70.1	70.1
	Female	100	29.9	29.9	100.0
	Total	334	100.0	100.0	
Respondent's Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-25	108	32.3	32.3	32.3
	26-35	145	43.4	43.4	75.7
	36-45	62	18.6	18.6	94.3
	46-55	12	3.6	3.6	97.9
	above 56	7	2.1	2.1	100.0
	Total	334	100.0	100.0	
Educational Background					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 10+2	33	9.9	9.9	9.9
	diploma	146	43.7	43.7	53.6
	degree	143	42.8	42.8	96.4
	MA and above	12	3.6	3.6	100.0
	Total	334	100.0	100.0	

Table 4.2 Background Characteristics of Respondents

Customer Type					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Personal cargo importers	155	46.4	46.4	46.4
	Personal cargo importers	179	53.6	53.6	99.1
	5	3	.9	.9	100.0
	Total	334	100.0	100.0	
Location of the customers					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Withn addis ababa	190	56.8	58.8	58.8
	Out of addis ababa	144	43.2	43.2	100.0
	Total	334	100	100	

Frequency and mean distribution of Tangibility

There is up to date and enough equipment used in cargo import					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	33	9.9	9.9	9.9
	Disagree	52	15.6	15.6	25.4
	Neutral	116	34.7	34.7	60.2
	Agree	117	35.0	35.0	95.2
	strongly agree	16	4.8	4.8	100.0
	Total	334	100.0	100.0	
There is appealing atmosphere in Ethiopian Airlines Cargo import section					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	16	4.8	4.8	4.8
	Disagree	30	9.0	9.0	13.8
	Neutral	126	37.7	37.7	51.5
	Agree	126	37.7	37.7	89.2
	strongly agree	36	10.8	10.8	100.0
	Total	334	100.0	100.0	
The Agents are Neat and well groomed					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	16	4.8	4.8	4.8
	Disagree	38	11.4	11.4	16.2
	Neutral	104	31.1	31.1	47.3
	Agree	114	34.1	34.1	81.4
	strongly agree	62	18.6	18.6	100.0
	Total	334	100.0	100.0	
The location of cargo office is convenient					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	51	15.3	15.3	15.3
	Disagree	57	17.1	17.1	32.3
	Neutral	83	24.9	24.9	57.2
	Agree	105	31.4	31.4	88.6
	strongly agree	38	11.4	11.4	100.0
	Total	334	100.0	100.0	

Frequency and mean distribution of Reliability

Ethiopian Airlines cargo will always Keep and Deliver its promises					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	35	10.5	10.5	10.5
	disagree	62	18.6	18.6	29.0
	neutral	86	25.7	25.7	54.8
	agree	111	33.2	33.2	88.0
	strongly agree	40	12.0	12.0	100.0
	Total	334	100.0	100.0	
Employees of cargo import section show sincere interest in solving the problems you have as a customer					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	21	6.3	6.3	6.3
	disagree	47	14.1	14.1	20.4
	neutral	96	28.7	28.7	49.1
	agree	135	40.4	40.4	89.5
	strongly agree	35	10.5	10.5	100.0
	Total	334	100.0	100.0	
The service given at the cargo import is always right at the First time					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	21	6.3	6.3	6.3
	disagree	62	18.6	18.6	24.9
	neutral	118	35.3	35.3	60.2
	agree	101	30.2	30.2	90.4
	strongly agree	32	9.6	9.6	100.0
	Total	334	100.0	100.0	
There is a timely delivery of service and every information is communicated on the right time					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	29	8.7	8.7	8.7
	disagree	58	17.4	17.4	26.0
	neutral	108	32.3	32.3	58.4
	agree	100	29.9	29.9	88.3
	strongly agree	39	11.7	11.7	100.0
	Total	334	100.0	100.0	
Records that are needed are kept accurately and every document arrived at destination safe and on time with the shipment					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	28	8.4	8.4	8.4
	disagree	55	16.5	16.5	24.9
	neutral	109	32.6	32.6	57.5

agree	105	31.4	31.4	88.9
strongly agree	37	11.1	11.1	100.0
Total	334	100.0	100.0	

Frequency and mean distribution of Responsiveness

Every Information is kept in a way to be easily obtainable by a customer at any time.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	29	8.7	8.7	8.7
	disagree	59	17.7	17.7	26.3
	neutral	93	27.8	27.8	54.2
	agree	122	36.5	36.5	90.7
	strongly agree	31	9.3	9.3	100.0
	Total	334	100.0	100.0	
Ethiopian Airlines cargo import gives a promise service to a customer					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	16	4.8	4.8	4.8
	disagree	48	14.4	14.4	19.2
	neutral	108	32.3	32.3	51.5
	agree	127	38.0	38.0	89.5
	strongly agree	35	10.5	10.5	100.0
	Total	334	100.0	100.0	
The employees at the import desk are always willing to help a customer					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	10	3.0	3.0	3.0
	disagree	52	15.6	15.6	18.6
	neutral	79	23.7	23.7	42.2
	agree	128	38.3	38.3	80.5
	strongly agree	65	19.5	19.5	100.0
	Total	334	100.0	100.0	
The agents of Ethiopian Airlines cargo import section are never too busy to attend to customer inquiries and requests					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	17	5.1	5.1	5.1
	disagree	48	14.4	14.4	19.5
	neutral	113	33.8	33.8	53.3
	agree	129	38.6	38.6	91.9
	strongly agree	27	8.1	8.1	100.0
	Total	334	100.0	100.0	
The agents are willing to accept feedback and comments on irregularities					

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	19	5.7	5.7	5.7
disagree	55	16.5	16.5	22.2
neutral	91	27.2	27.2	49.4
agree	121	36.2	36.2	85.6
strongly agree	48	14.4	14.4	100.0
Total	334	100.0	100.0	

Responsiveness Statistics

	Every Information is kept in a way to be easily obtainable by a customer at any time.	Ethiopian Airlines cargo import gives a promise service to a customer	The employees at the import desk are always willing to help a customer	The agents of Ethiopian Airlines cargo import section are never too busy to attend to customer inquiries and requests	The agents are willing to accept feedback and comments on irregularities
N Valid	334	334	334	334	334
Missing	0	0	0	0	0
Mean	3.20	3.35	3.56	3.30	3.37
Std. Deviation	1.106	1.008	1.063	.984	1.093

Frequency and mean distribution of Assurance

The behavior of employees at the import section helps build the confidence of the customers					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	10	3.0	3.0	3.0	
disagree	31	9.3	9.3	12.3	
neutral	115	34.4	34.4	46.7	
agree	127	38.0	38.0	84.7	
strongly agree	51	15.3	15.3	100.0	
Total	334	100.0	100.0		
During a business transactions a customer feels safe with the Airline as well as with the agents in handling the cases					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	18	5.4	5.4	5.4	
disagree	46	13.8	13.8	19.2	
neutral	129	38.6	38.6	57.8	
agree	115	34.4	34.4	92.2	
strongly agree	26	7.8	7.8	100.0	
Total	334	100.0	100.0		
Agents at the import section are polite in handling customers					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	21	6.3	6.3	6.3	

	disagree	39	11.7	11.7	18.1
	neutral	71	21.3	21.4	39.5
	agree	139	41.6	41.9	81.3
	strongly agree	62	18.6	18.7	100.0
	Total	332	99.4	100.0	
Missing	missing value	2	.6		
Total		334	100.0		
The agents at the import section have the knowledge to answer customer's questions					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	20	6.0	6.0	6.0
	disagree	34	10.2	10.2	16.2
	neutral	78	23.4	23.4	39.5
	agree	138	41.3	41.3	80.8
	strongly agree	64	19.2	19.2	100.0
	Total	334	100.0	100.0	

Frequency and mean distribution of Empathy

The employees give customers individual attention					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	34	10.2	10.2	10.2
	disagree	43	12.9	12.9	23.1
	neutral	107	32.0	32.0	55.1
	agree	91	27.2	27.2	82.3
	strongly agree	59	17.7	17.7	100.0
	Total	334	100.0	100.0	
The employees at the import section give customers personal services when the need arises					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	21	6.3	6.3	6.3
	disagree	43	12.9	12.9	19.2
	neutral	110	32.9	32.9	52.1
	agree	138	41.3	41.3	93.4
	strongly agree	22	6.6	6.6	100.0
	Total	334	100.0	100.0	
The employees of cargo import section have their customers best interest at heart					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	14	4.2	4.2	4.2
	disagree	55	16.5	16.5	20.7
	neutral	115	34.4	34.4	55.1
	agree	110	32.9	32.9	88.0
	strongly agree	40	12.0	12.0	100.0

Total	334	100.0	100.0	
The agents at the import desk understand the specific needs of their customers				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	17	5.1	5.1	5.1
disagree	39	11.7	11.7	16.8
neutral	91	27.2	27.2	44.0
agree	136	40.7	40.7	84.7
strongly agree	51	15.3	15.3	100.0
Total	334	100.0	100.0	

Frequency and mean distribution of Tangibility

There is up to date and enough equipment used in cargo import				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	33	9.9	9.9	9.9
Disagree	52	15.6	15.6	25.4
Neutral	116	34.7	34.7	60.2
Agree	117	35.0	35.0	95.2
strongly agree	16	4.8	4.8	100.0
Total	334	100.0	100.0	
There is appealing atmosphere in Ethiopian Airlines Cargo import section				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	16	4.8	4.8	4.8
Disagree	30	9.0	9.0	13.8
Neutral	126	37.7	37.7	51.5
Agree	126	37.7	37.7	89.2
strongly agree	36	10.8	10.8	100.0
Total	334	100.0	100.0	
The Agents are Neat and well groomed				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	16	4.8	4.8	4.8
Disagree	38	11.4	11.4	16.2
Neutral	104	31.1	31.1	47.3
Agree	114	34.1	34.1	81.4
strongly agree	62	18.6	18.6	100.0
Total	334	100.0	100.0	
The location of cargo office is convenient				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	51	15.3	15.3	15.3
Disagree	57	17.1	17.1	32.3
Neutral	83	24.9	24.9	57.2

Agree	105	31.4	31.4	88.6
strongly agree	38	11.4	11.4	100.0
Total	334	100.0	100.0	

Frequency and mean distribution of Reliability

Ethiopian Airlines cargo will always Keep and Deliver its promises					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	35	10.5	10.5	10.5
	disagree	62	18.6	18.6	29.0
	neutral	86	25.7	25.7	54.8
	agree	111	33.2	33.2	88.0
	strongly agree	40	12.0	12.0	100.0
	Total	334	100.0	100.0	
Employees of cargo import section show sincere interest in solving the problems you have as a customer					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	21	6.3	6.3	6.3
	disagree	47	14.1	14.1	20.4
	neutral	96	28.7	28.7	49.1
	agree	135	40.4	40.4	89.5
	strongly agree	35	10.5	10.5	100.0
	Total	334	100.0	100.0	
The service given at the cargo import is always right at the First time					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	21	6.3	6.3	6.3
	disagree	62	18.6	18.6	24.9
	neutral	118	35.3	35.3	60.2
	agree	101	30.2	30.2	90.4
	strongly agree	32	9.6	9.6	100.0
	Total	334	100.0	100.0	
There is a timely delivery of service and every information is communicated on the right time					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	29	8.7	8.7	8.7
	disagree	58	17.4	17.4	26.0
	neutral	108	32.3	32.3	58.4
	agree	100	29.9	29.9	88.3
	strongly agree	39	11.7	11.7	100.0
	Total	334	100.0	100.0	
Records that are needed are kept accurately and every document arrived at destination safe and on time with the shipment					

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	28	8.4	8.4	8.4
disagree	55	16.5	16.5	24.9
neutral	109	32.6	32.6	57.5
agree	105	31.4	31.4	88.9
strongly agree	37	11.1	11.1	100.0
Total	334	100.0	100.0	

Frequency and mean distribution of Responsiveness

Every Information is kept in a way to be easily obtainable by a customer at any time.					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	29	8.7	8.7	8.7	
disagree	59	17.7	17.7	26.3	
neutral	93	27.8	27.8	54.2	
agree	122	36.5	36.5	90.7	
strongly agree	31	9.3	9.3	100.0	
Total	334	100.0	100.0		
Ethiopian Airlines cargo import gives a promise service to a customer					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	16	4.8	4.8	4.8	
disagree	48	14.4	14.4	19.2	
neutral	108	32.3	32.3	51.5	
agree	127	38.0	38.0	89.5	
strongly agree	35	10.5	10.5	100.0	
Total	334	100.0	100.0		
The employees at the import desk are always willing to help a customer					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	10	3.0	3.0	3.0	
disagree	52	15.6	15.6	18.6	
neutral	79	23.7	23.7	42.2	
agree	128	38.3	38.3	80.5	
strongly agree	65	19.5	19.5	100.0	
Total	334	100.0	100.0		
The agents of Ethiopian Airlines cargo import section are never too busy to attend to customer inquiries and requests					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	17	5.1	5.1	5.1	
disagree	48	14.4	14.4	19.5	
neutral	113	33.8	33.8	53.3	

agree	129	38.6	38.6	91.9
strongly agree	27	8.1	8.1	100.0
Total	334	100.0	100.0	
The agents are willing to accept feedback and comments on irregularities				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid strongly disagree	19	5.7	5.7	5.7
disagree	55	16.5	16.5	22.2
neutral	91	27.2	27.2	49.4
agree	121	36.2	36.2	85.6
strongly agree	48	14.4	14.4	100.0
Total	334	100.0	100.0	

Responsiveness Statistics

	Every Information is kept in a way to be easily obtainable by a customer at any time.	Ethiopian Airlines cargo import gives a promise service to a customer	The employees at the import desk are always willing to help a customer	The agents of Ethiopian Airlines cargo import section are never too busy to attend to customer inquiries and requests	The agents are willing to accept feedback and comments on irregularities
N Valid	334	334	334	334	334
Missing	0	0	0	0	0
Mean	3.20	3.35	3.56	3.30	3.37
Std. Deviation	1.106	1.008	1.063	.984	1.093

Frequency and mean distribution of Assurance

The behavior of employees at the import section helps build the confidence of the customers					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	10	3.0	3.0	3.0	
disagree	31	9.3	9.3	12.3	
neutral	115	34.4	34.4	46.7	
agree	127	38.0	38.0	84.7	
strongly agree	51	15.3	15.3	100.0	
Total	334	100.0	100.0		
During a business transactions a customer feels safe with the Airline as well as with the agents in handling the cases					
	Frequency	Percent	Valid Percent	Cumulative Percent	
Valid strongly disagree	18	5.4	5.4	5.4	
disagree	46	13.8	13.8	19.2	
neutral	129	38.6	38.6	57.8	
agree	115	34.4	34.4	92.2	
strongly agree	26	7.8	7.8	100.0	

Total		334	100.0	100.0	
Agents at the import section are polite in handling customers					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	21	6.3	6.3	6.3
	disagree	39	11.7	11.7	18.1
	neutral	71	21.3	21.4	39.5
	agree	139	41.6	41.9	81.3
	strongly agree	62	18.6	18.7	100.0
	Total	332	99.4	100.0	
Missing	missing value	2	.6		
Total		334	100.0		
The agents at the import section have the knowledge to answer customer's questions					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	20	6.0	6.0	6.0
	disagree	34	10.2	10.2	16.2
	neutral	78	23.4	23.4	39.5
	agree	138	41.3	41.3	80.8
	strongly agree	64	19.2	19.2	100.0
	Total	334	100.0	100.0	

Frequency and mean distribution of Empathy

The employees give customers individual attention					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	34	10.2	10.2	10.2
	disagree	43	12.9	12.9	23.1
	neutral	107	32.0	32.0	55.1
	agree	91	27.2	27.2	82.3
	strongly agree	59	17.7	17.7	100.0
	Total	334	100.0	100.0	
The employees at the import section give customers personal services when the need arises					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	21	6.3	6.3	6.3
	disagree	43	12.9	12.9	19.2
	neutral	110	32.9	32.9	52.1
	agree	138	41.3	41.3	93.4
	strongly agree	22	6.6	6.6	100.0
	Total	334	100.0	100.0	
The employees of cargo import section have their customers best interest at heart					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	14	4.2	4.2	4.2

	disagree	55	16.5	16.5	20.7
	neutral	115	34.4	34.4	55.1
	agree	110	32.9	32.9	88.0
	strongly agree	40	12.0	12.0	100.0
	Total	334	100.0	100.0	
The agents at the import desk understand the specific needs of their customers					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly disagree	17	5.1	5.1	5.1
	disagree	39	11.7	11.7	16.8
	neutral	91	27.2	27.2	44.0
	agree	136	40.7	40.7	84.7
	strongly agree	51	15.3	15.3	100.0
	Total	334	100.0	100.0	