

# Service Quality and Its Influence on Customer Satisfaction: A Study of Selected Service Firms in Tirunelveli District

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## Abstract

This study examines the relationship between *service quality* and *customer satisfaction* in selected service firms in Tirunelveli District. Using a quantitative approach and primary data collected from customers of retail, hospitality, and financial service firms, the study investigates dimensions of service quality (tangibility, reliability, responsiveness, assurance, and empathy) based on the SERVQUAL model and their influence on customer satisfaction. Data from 180 respondents were analyzed using SPSS (descriptive statistics, correlation, and regression). Findings indicate that all dimensions of service quality have a significant positive influence on customer satisfaction, with *reliability* and *empathy* emerging as the strongest predictors. The study underscores the need for service firms in Tirunelveli to strengthen service quality attributes to enhance overall satisfaction and loyalty.

**Keywords:** Service Quality, Customer Satisfaction, Tirunelveli District, SERVQUAL, SPSS

## 1. Introduction

In competitive service markets, service quality is a critical determinant of customer satisfaction and long-term business success. Service firms operating across sectors such as retail, hospitality, banking, and telecommunications continuously strive to enhance service quality to meet customer expectations and build loyalty (Zeithaml, Parasuraman & Berry, 1990). The Tirunelveli District, with its expanding retail and service economy, presents a unique context to assess how service quality influences customer satisfaction.

Service quality is inherently multidimensional. The widely used *SERVQUAL* framework conceptualizes service quality across five dimensions: tangibility, reliability, responsiveness, assurance, and empathy (Parasuraman, Zeithaml & Berry, 1988). These dimensions help firms identify areas for improvement and directly influence customer perceptions and satisfaction (Cronin & Taylor, 1992; Babakus & Boller, 1992). Despite extensive research in metropolitan regions, limited empirical work has focused on service quality in smaller urban and semi-urban markets such as Tirunelveli.

This study investigates how service quality dimensions influence customer satisfaction in selected service firms in Tirunelveli District.

## 2. Literature Review

### 2.1 Service Quality and Customer Satisfaction

Service quality has been identified as a key antecedent to customer satisfaction, which in turn drives customer loyalty and repeat patronage (Oliver, 1997). The *SERVQUAL* model remains a dominant theoretical foundation for assessing service quality perceptions (Parasuraman et al., 1988).

### 2.2 SERVQUAL Dimensions

- **Tangibility:** Physical facilities, equipment, and appearance of personnel.
- **Reliability:** Ability to perform the promised service dependably and accurately.
- **Responsiveness:** Willingness to help customers and provide prompt service.

- **Assurance:** Knowledge and courtesy of employees and their ability to inspire trust.
- **Empathy:** Caring, individualized attention provided to customers.

Studies have shown that reliability and responsiveness are often the strongest predictors of customer satisfaction across service industries (Cronin & Taylor, 1992; Ladhari, 2009).

## 2.3 Previous Empirical Studies

- **Cronin & Taylor (1992):** Proposed SERVPERF as a performance-based alternative to *SERVQUAL* for predicting satisfaction.
- **Ladhari (2009):** Confirmed strong relationships between service quality dimensions and satisfaction across cultural contexts.
- **Sureshchandar, Rajendran & Anantharaman (2002):** Found reliability and empathy as key drivers of satisfaction in Indian service firms.

## 3. Objectives of the Study

1. To measure customer perceptions of service quality dimensions in selected service firms in Tirunelveli District.
2. To determine the influence of service quality on customer satisfaction.
3. To identify the most significant service quality attributes influencing satisfaction.

## 4. Hypotheses

H1: There is a positive relationship between service quality and customer satisfaction.

H2: Each *SERVQUAL* dimension (tangibility, reliability, responsiveness, assurance, empathy) significantly influences customer satisfaction.

## 5. Research Methodology

### 5.1 Research Design

The study adopts a descriptive and explanatory research design using a quantitative survey approach.

## 5.2 Sample and Sampling Technique

The population includes customers of retail stores, restaurants, and financial service firms in Tirunelveli District. **180 respondents** were selected using purposive sampling to ensure representation across sectors.

## 5.3 Data Collection Instrument

Primary data were collected using a structured questionnaire based on a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree) covering:

- Service quality dimensions (SERVQUAL items)
- Customer satisfaction indicators

## 5.4 Tools for Analysis

Data were analyzed using **SPSS** (Version 25) involving:

- Descriptive statistics
- Pearson correlation
- Multiple regression analysis

## 6. Data Analysis and Results

### 6.1 Descriptive Statistics

**Table 1: Descriptive Statistics**

Variable	Mean	Std. Deviation
Tangibility	3.82	0.74
Reliability	3.91	0.69
Responsiveness	3.75	0.81
Assurance	3.88	0.73
Empathy	3.96	0.67
Customer Satisfaction	3.89	0.71

**Interpretation:** Respondents generally perceive service quality positively, with *empathy* scoring the highest mean.

## 6.2 Correlation Analysis

**Table 2: Pearson Correlation Matrix**

Variables	Tangibility	Reliability	Responsiveness	Assurance	Empathy	Satisfaction
Tangibility	1.000	0.645 **	0.534**	0.612 **	0.588**	0.563* *
Reliability	0.645 **	1.000	0.679**	0.701 **	0.672**	0.693* *
Responsiveness	0.534 **	0.679 **	1.000	0.595 **	0.622**	0.601* *
Assurance	0.612 **	0.701 **	0.595**	1.000	0.648 **	0.676* *
Empathy	0.588 **	0.672 **	0.622**	0.648 **	1.000	0.705* *
Satisfaction	0.563 **	0.693 **	0.601**	0.676 **	0.705**	1.000

**p < 0.01** for all correlations

### Interpretation:

All service quality dimensions are significantly positively correlated with customer satisfaction. *Empathy* has the strongest correlation (.705), indicating that personalized service attention is highly linked with satisfaction.

### 6.3 Regression Analysis

**Table 3: Multiple Regression Predicting Customer Satisfaction**

Predictor	B	Std. Error	Beta	t	p
Tangibility	0.152	0.061	0.133	2.49	0.013
Reliability	0.277	0.058	0.258	4.78	0.000
Responsiveness	0.136	0.053	0.124	2.57	0.011
Assurance	0.186	0.057	0.168	3.26	0.001
Empathy	0.324	0.059	0.300	5.49	0.000

Predictor	B	Std. Error	Beta	t	p
Constant	0.502	0.212	—	2.37	0.019

$R^2 = 0.64$ ,  $F = 62.93$ ,  $p < 0.001$

#### Interpretation:

All five SERVQUAL dimensions significantly predict customer satisfaction. *Empathy* ( $\beta = .300$ ) and *reliability* ( $\beta = .258$ ) are the strongest predictors.

#### 7. Discussion

The present study confirms that **service quality significantly influences customer satisfaction** among service firms in Tirunelveli District. This aligns with earlier research that established service quality as a key determinant of satisfaction and loyalty (Cronin & Taylor, 1992; Ladhari, 2009).

- **Empathy and reliability** emerged as the strongest drivers of satisfaction, indicating that customers value personalized and dependable service delivery.
- Tangibility, responsiveness, and assurance also significantly contribute but to a lesser degree.

These findings reflect customer expectations in service encounters where personal attention and consistent service performance are crucial. Firms that prioritize employee training, customer communication, and service consistency are likely to perform better in customer satisfaction.

#### 8. Findings

1. Customers generally rate service quality positively across all SERVQUAL dimensions.
2. All five dimensions are significantly correlated with satisfaction.
3. Empathy and reliability have the strongest influence on satisfaction.
4. Service firms in Tirunelveli should emphasize personalized service and dependable operations.

#### 9. Recommendations

1. **Employee Training:** Enhance staff skills in customer interaction, empathy, and problem resolution.
2. **Service Standardization:** Implement SOPs to ensure reliable and consistent service delivery.
3. **Customer Feedback Systems:** Use feedback loops to monitor service quality and make improvements.
4. **Customer Relationship Programs:** Develop loyalty and engagement programs to strengthen long-term satisfaction.

#### 10. Conclusion

The study provides empirical evidence that service quality significantly influences customer satisfaction in service firms in Tirunelveli District. All five SERVQUAL dimensions positively affect satisfaction, with empathy and reliability being the most influential. Service firms should invest in quality improvements, with particular attention to personalized service and dependable delivery, to enhance customer satisfaction and retention.

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