Service quality and customer loyalty in the service industry: a case Of City Tyres Uganda

Shamsa Halifan[50]

Keywords: *service Quality, Customer Loyalty, Reliability, Responsiveness, Empathy, Tangibility*

Introduction

The study examined the relationship between service quality and customer loyalty, a case of City Tyres Uganda limited—Bombo road branch.

Study objectives

The study was guided by the following objectives:

1. to examine the relationship between reliability and customer loyalty at City Tyres Uganda, Bombo Road branch,
2. to establish the relationship between responsiveness and customer loyalty at City Tyres Uganda limited Bombo Road branch
3. to investigate the relationship between empathy and customer loyalty of City Tyres Uganda customers at the Bombo Road branch

---

[50] Shamsa Halifan graduated in February, 2021 with a Master of Business Administration from Nkumba University

4. to determine the relationship between tangibility and customer loyalty of City Tyres Uganda customers at the Bombo Road branch

Methodology

The study used a case study research design involving both quantitative and qualitative research approaches. The researcher employed simple random sampling alongside the purposive sampling method.

A sample of 100 respondents was selected out of a target population of 133. Of the 100 questionnaires distributed, only 70 were returned giving a response rate of 70.0%. The researcher used self-administered questionnaire and interview guides in the study to collect data. Data collected from the primary source were compiled, sorted, and edited for accuracy and clarity. They were classified, coded into a coding sheet, and analysed using SPSS 25.

Quantitative data were analysed through the use of correlations and regression analysis to measure the relationship and qualitative data were analyzed through the use of thematic and content analysis.

Key findings

The study revealed that reliability significantly influenced customer loyalty which was established as (beta value=.295, t=10.158, P<.000). The study also revealed that responsiveness significantly influenced customer loyalty which was established as (beta value=.529, t=6.581, P<.000). The study further revealed that empathy significantly influenced customer loyalty which

was established as (beta value=.295, t=10.158, P<.000). The study revealed that tangibility significantly influenced customer loyalty which was established as (beta value=.395, t=8.484, P<.000).

Key recommendations

The management should establish clear customer feedback mechanisms where customers can ably feed management with complaints and suggestions.

Staff members need to be closely monitored to limit gaps in service provision.

Key references

Aga, M., &Safakli, O. V. (2007). An empirical investigation of service quality and customer satisfaction in professional accounting firms: Evidence from North Cyprus. *Problems and Perspectives in Management*, 5(3), 84-98

Arlen, S. (2008). The 5 Service Dimensions All Customers care about CCK. 2012. Report on the quality of service (QoS) performance assessment for cellular mobile networks period awards and ISO 9000 certification Core concepts and comparative analysis, International

Bedi, M. (2010). An integrated framework for service quality, customer satisfaction and behavioral responses in Indian banking industry--a comparison of public and private sector banks. Journal of Services Research, 10(1)