

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME**

**EFFECT OF SERVICE ENCOUNTER APPROACH ON
CUSTOMER SATISFACTION AND RETENTION
TOWARDS PYAE SHAN PRIVATE HIGH SCHOOL**

**MON MON PIKE
EMBA II – 67
EMBA 20th BATCH**

MAY, 2025

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME**

**EFFECT OF SERVICE ENCOUNTER APPROACH ON
CUSTOMER SATISFACTION AND RETENTION
TOWARDS PYAE SHAN PRIVATE HIGH SCHOOL**

ACADEMIC YEAR (2023 - 2025)

Supervised by:

Submitted by:

Dr. May Win Kyaw

Mon Mon Pike

Associate Professor

EMBA II-67

Department of Management Studies

EMBA 20th Batch

Yangon University of Economics

2023-2025

**YANGON UNIVERSITY OF ECONOMICS
DEPARTMENT OF MANAGEMENT STUDIES
MBA PROGRAMME**

**EFFECT OF SERVICE ENCOUNTER APPROACH ON
CUSTOMER SATISFACTION AND RETENTION
TOWARDS PYAE SHAN PRIVATE HIGH SCHOOL**

This thesis is submitted to the Board of Examiners in partial fulfillment of the requirements for the degree of Master of Business Administration (MBA).

Supervised by:

Submitted by:

Dr. May Win Kyaw

Mon Mon Pike

Associate Professor

EMBA II-67

Department of Management Studies

EMBA 20th Batch

Yangon University of Economics

2023-2025

ACCEPTANCE

This is to certify that the thesis entitled “**Effect of Service Encounter Approach on Customer Satisfaction and Retention towards Pyae Shan Private High School**” has been accepted by the Examination Board for awarding a Master of Business Administration (MBA) degree.

Board of Examiners

(Chairman)

Dr. Tin Tin Htwe

Rector

Yangon University of Economics

(Supervisor)

(Examiner)

(Examiner)

(Examiner)

(Examiner)

(Examiner)

(Examiner)

MAY, 2025

ABSTRACT

The objectives of this study are to analyze the effect of service encounter approach on customer satisfaction, to examine the effect of customer satisfaction on retention and to analyze the moderating effect of trust on the relationship between customer satisfaction and retention in Pyae Shan Private School. Both primary and secondary data are used. By Raosoft sample size calculator, sample size is 136 customers out of 209 customers of Pyae Shan Private High School. Customers are selected by applying simple random sampling method. Primary data is collected through an online survey method using a structured questionnaire with 5-point Likert scale. Secondary data are gathered from relevant textbooks, previous research papers and online sources and data source of Pyae Shan Private High School. Descriptive statistics and linear regression analysis are applied in this study. The regression analysis indicates that service encounter approach such as service personnel, service facility and service value have positive significant effect on customer satisfaction. In addition, customer satisfaction is positive significant effect on retention in Pyae Shan Private High School. It is also found that there is partially moderating effect of trust on the relationship between customer satisfaction and retention in Pyae Shan Private High School. This study suggests that Pyae Shan Private High School should continue investing in digital communication and explores further tools such as school mobile application, parent-student portal for performance tracking, attendance and feedback to enhance customer satisfaction and retention.

ACKNOWLEDGMENTS

I would like to express my deepest gratitude to the following individuals and organizations for the invaluable support and assistance with this research:

First and foremost, I would respectfully express my thanks and gratitude to Professor Dr. Tin Tin Htwe, Rector of Yangon University of Economics for her kind permission for the opportunity to undertake the study as a partial fulfillment towards the Master Degree of Business Administration.

My deepest thanks to Professor Dr. Thin Nwe Oo, Head of Department of Management Studies and Programme Director of MBA Programme for her extensive and constructive suggestions, her supporting excellence guidance, kind supports and comments to complete the thesis.

I would like to express my special gratitude and thanks to my supervisor, Associate Professor Dr. May Win Kyaw, for her guidance and providing necessary information regarding the thesis.

I would also like to express my gratitude to Professor Dr. Hla Hla Mon, Professor Dr. Than Thu Zar, Professor Dr. Khin Thet Htwe, Professor Dr. Myint Myint May, and Associate Professor Dr. Kay Thi Soe from Department of Management Studies, Yangon University of Economics, for their kind permission to carry out this paper.

In addition, I greatly appreciate the collaboration of my EMBA 20th batch friends, colleagues, and my family. Their unwavering support and encouragement have been a tremendous source of strength. Their belief in my ability to succeed has been incredibly motivating throughout this journey.

Lastly, I extend my sincere thanks to the founder, principal and parents of Pyae Shan Private High School for their cooperation and participation in this study. Their contributions were vital to the success of this research.

TABLE OF CONTENTS

	Page
ABSTRACT	i
ACKNOWLEDGEMENTS	ii
TABLE OF CONTENTS	iii
LIST OF TABLES	v
LIST OF FIGURES	vi
LIST OF ABBREVIATIONS	vii
CHAPTER 1 INTRODUCTION	1
1.1 Rationale of the Study	4
1.2 Objectives of the Study	6
1.3 Scope and Method of the Study	6
1.4 Organization of the Study	7
CHAPTER 2 THEORETICAL BACKGROUND	8
2.1 Service Encounter Approach	8
2.2 Customer Satisfaction	16
2.3 Trust	17
2.4 Retention	19
2.6 Previous Studies	20
2.7 Conceptual Framework of the Study	23
CHAPTER 3 PROFILE AND THE SERVICE ENCOUNTER APPROACH PROVIDED BY PYAE SHAN PRIVATE HIGH SCHOOL	25
3.1 Profile of Pyae Shan Private High School	25
3.2 Service Encounter Approach provided by Pyae Shan Private High School	30

3.3 Reliability Analysis	35
3.4 Profile of the Respondents	36
CHAPTER 4 ANALYSIS ON THE EFFECT OF SERVICE ENCOUNTER APPROACH ON CUSTOMER SATISFACTION AND RETENTION TOWARDS PYAE SHAN PRIVATE HIGH SCHOOL	40
4.1 Customer Perception on Service Encounter Approach, Customer Satisfaction and Retention	40
4.2 Analysis on the Effect of Service Personnel on Customer Satisfaction	53
4.3 Analysis on the Effect of Service Facility on Customer Satisfaction	54
4.4 Analysis on the Effect of Service Value on Customer Satisfaction	55
4.5 Analysis on the Effect of Customer Satisfaction on Retention	56
4.6 Analysis on the Moderating Effect of Trust on the Relationship between Customer Satisfaction and Retention	57
CHAPTER 5 CONCLUSION	59
5.1 Findings and Discussions	59
5.2 Suggestions and Recommendations	65
5.3 Needs for Further Research	66
REFERENCES	
APPENDIX A	
APPENDIX B	

LIST OF TABLES

Table No.	Description	Page
Table 3.1	Internal Consistency Description based on Cronbach's Alpha Test	35
Table 3.2	Reliability Test	36
Table 3.3	Demographic Data of the Respondents	37
Table 4.1	Assurance	41
Table 4.2	Empathy	42
Table 4.3	Reliability	43
Table 4.4	Physical facility	44
Table 4.5	Learning Environment	45
Table 4.6	Communication Material	46
Table 4.7	Service Quality	47
Table 4.8	Co-delivery Value	48
Table 4.9	Co-creation Value	49
Table 4.10	Customer Satisfaction	50
Table 4.11	Trust	51
Table 4.12	Retention	52
Table 4.13	Effect of Service Personnel on Customer Satisfaction	53
Table 4.14	Effect of Service Facility on Customer Satisfaction	54
Table 4.15	Effect of Service Value on Customer Satisfaction	55
Table 4.16	Effect of Customer Satisfaction on Retention	56
Table 4.17	Moderating Effect of Trust on the Relationship between Customer Satisfaction and Retention	57

LIST OF FIGURES

Figure No.	Description	Page
Figure 2.1	Conceptual Framework of Kubenea	21
Figure 2.2	Conceptual Framework of Ho et al.	22
Figure 2.3	Conceptual Framework of the Study	23
Figure 3.1	Organization Chart of Pyae Shan Private High School	27

LIST OF ABBREVIATIONS

HLI	Higher Learning Institute
JAT	Junior Assistant Teacher
KPI	Key Performance Indicator
Std. Dev.	Standard Deviation
SAT	Senior Assistant Teacher
SMS	Short Message Service
WOM	Word of Mouth

CHAPTER I

INTRODUCTION

Education is essential to a country's socioeconomic growth because it gives people the values, information, and abilities they need to make significant contributions to society. In Myanmar, the Ministry of Education is in charge of both public and private schools and is largely in charge of centralizing and regulating the educational system. Public schools have historically been the primary source of education, but they frequently face structural issues like packed classrooms, high student-teacher ratios and a lack of funding. Private education sector, which provides an alternate approach to learning and is frequently distinguished by smaller class sizes, contemporary facilities, and creative teaching methods, is becoming more and more popular as a result of these problems.

Due to the growing expectations of middle- and upper-class families who want to provide their children with a high-quality education, Myanmar's private education market has grown significantly in recent years. Private School Registration Act establishes a regulatory framework for the founding and administration of private schools. In Myanmar, private schools frequently incorporate contemporary and foreign teaching approaches with the country's curriculum, placing a strong emphasis on critical thinking, academic achievement, moral principles, and holistic growth. Because of this, these schools are now desirable choices for parents who want to spend money on their children' education in order to give them a competitive advantage in a world that is becoming more interconnected by the day.

The service encounter is defined as the direct exchanges between service providers and their clients that influence values, satisfaction, and loyalty (Bitner et al., 2000). Private schools need to offer both excellent instruction and first-rate customer service in order to attract and retain students in an increasingly competitive market. These exchanges cover a variety of topics, such as admissions procedures, staff communication, extracurricular activities, and classroom interactions. Good service encounter improves customer satisfaction, which is the degree to which parents and students believe the school's services have fulfilled or beyond their expectations (Oliver, 2010). According to Hennig-Thurau et

al. (2001), high satisfaction in turn promotes retention, or the students' and their families' continuous enrollment over time.

Service personnel are the people who contact directly with customers and have a significant impact on their perceptions of service quality (Parasuraman et al., 1985). The features of assurance, empathy, and reliability are important for service personnel. Assurance refers to employees' experience and manners, as well as their capacity to build trust and confidence (Parasuraman et al., 1988). In an educational context, this includes the proficiency and expertise of educators, therapists, and support personnel. According to Parasuraman et al. (1988), empathy is the ability to provide clients with considerate, tailored attention. For educational institutions, this means that staff members are responsive to the academic and personal demands of students. According to Parasuraman et al. (1988), reliability is the capacity to carry out the promised service accurately and consistently, such as fulfilling schedules, providing prompt feedback, and uniformly managing expectations in the classroom. When combined, these qualities of service providers are critical to building student and parent satisfaction and trust.

The term service facility refers to the actual interpersonal and physical setting in which the service is provided, which affects how well the consumer feels about the quality of the service (Bitner, 1992). This comprises the learning environment, communication materials, and physical facilities in the context of education. Classrooms, libraries, and labs are examples of physical facilities, which are the tangible indicators of a school's quality (Zeithaml, 1988). Learning environment refers to the social, psychological, and pedagogical contexts in which learning occurs, encompassing physical spaces, social interactions, cultural conditions, and instructional designs that collectively shape learners' experiences and outcomes (Fraser, 2012). Communication material is the range of tools and materials used by private schools to share information, build their brand, interact with stakeholders (including parents, students, and the community), and assist with internal communications, marketing, and admissions. By emphasizing the institution's distinctive qualities and culture, communication tools in the educational setting serve both informational and persuasive purposes, with the goal of building trust and drawing in potential families (Oplatka & Hemsley-Brown, 2004).

Service value is defined as the customer's total evaluation of the utility of a service based on perceptions of what is received against what is provided (Zeithaml, 1988). This includes service quality, co-delivery value, and co-creation value. Service quality is defined

as the extent to which a service meets or exceeds customer expectations (Parasuraman et al., 1988). Strong service quality is demonstrated by well-planned events, attentive administration, and excellent teaching. According to Grönroos (2011), co-delivery value is the benefit that results from a service provider and customer working together to produce a service, such as when parents participate in their child's education. Co-creation value is defined as customers actively participating in the production or design of a service (Prahalad & Ramaswamy, 2004), such as through parent advisory groups or student-led initiatives. When these values are present, the school is seen as a partner in the child's growth rather than only a provider of services.

Customer satisfaction is defined as the customer's evaluation of whether a product or service has met or exceeded their expectations (Oliver, 2010). In schools, this involves academic performance, extracurricular activities, communication quality, and how responsive the institution is to feedback. Satisfied parents and students are more likely to stay with the school and recommend it to others, while dissatisfaction can result in attrition and damage to the school's reputation. Measuring satisfaction regularly helps identify areas for improvement and maintain high standards.

Trust refers to the willingness of a customer to rely on a service provider based on the belief that the provider will act in the customer's best interest (Morgan & Hunt, 1994). For schools, trust is built through transparent communication, consistent behavior, and demonstrated care for students' well-being and success. A strong sense of trust reduces the impact of service failures and enhances loyalty, while low trust can turn even minor issues into major concerns that lead to withdrawal or negative word-of-mouth.

Retention refers to the continued enrollment of students over time, reflecting a long-term commitment to the institution (Hennig-Thurau et al., 2002). High retention rates show that parents and students perceive values in the school's offerings and trust its ability to deliver quality education. Retained students contribute to a stable learning environment and can foster stronger school communities and alumni networks. Understanding the factors that influence retention is essential for strategic planning and long-term sustainability.

Pyae Shan Private High School, located in Hlaing Township, Yangon, is a relatively new entrant in Myanmar's private education sector. Established in 2020, the school initially opened its doors exclusively for high school-level classes. However, due to the challenges posed by the COVID-19 pandemic, its operations were limited during the initial years. In

2022, the school expanded its offerings to include middle school classes, and it currently provides education for middle and high school students. Plans are underway to further expand its services to include primary education starting from the upcoming academic year. Since its founding, Pyae Shan has only used word-of-mouth advertising to draw pupils. Since positive experiences shared by current students and parents can have a big impact on the school's reputation and enrollment rates, this strategy emphasizes how important it is to maintain high levels of customer satisfaction and retention. This is why the school's capacity to provide outstanding service encounters is so important.

In order to stay competitive and long-lasting, organizations such as Pyae Shan Private High School must place a high priority on the standard of their service encounters as Myanmar's private education market develops. The school can create focused strategies to improve service delivery, create stronger connections with parents and students, and maintain its standing as the region's top educational institution by comprehending the interactions among service encounters, customer satisfaction, trust, and retention. With its thorough examination of the variables affecting satisfaction and retention of customers in the context of private education, this study is a step in the correct approach. This study mainly focuses on the effect of service encounter approach on customer satisfaction and retention in Pyae Shan Private High School.

1.1 Rationale for the Study

The private education sector in Myanmar has grown significantly as a result of public schools' limitations and increased desire for high-quality education. Competition increases as more private schools join the market. Therefore, it's critical for newer establishments like Pyae Shan Private High School to stand out by providing exceptional customer service in addition to academic success. This study examines the effects of several service encounter aspects on important outcomes like customer satisfaction, trust, and retention and all of which are essential for Pyae Shan's long-term success.

Retention is important since it shows how well the school is fulfilling family expectations and delivering steady value over time. For Pyae Shan, retaining students can reduce the pressure and cost of recruiting new enrollments every year and supports the development of a strong school culture. Additionally, high retention creates a feeling of stability and connection among students, which promotes ongoing loyalty and support from

future alumni. Conversely, low retention rates might cause more student withdrawals and damage the school's reputation.

Trust is essential since it forms the basis for the school's interaction with parents and pupils. Establishing trust is essential for a new school like Pyae Shan to win over parents to its abilities to offer a secure and productive learning environment. Families that trust the school are more likely to interact with it more, work together through difficulties, and refer others to it. However, a lack of trust can rapidly result in student attrition, negative word-of-mouth, and dissatisfaction.

Another important factor is customer satisfaction which indicates how much families believe the school is fulfilling commitments. At Pyae Shan, customer satisfaction serves as both an indicator of achievement and an effective instrument for identifying areas in need of development. Families that are happy with the school are more likely to stick around, get involved in school activities, and spread the word about it to their networks. On the other hand, in a market that is competitive and reputation-sensitive, dissatisfaction can result in complaints, early withdrawals, and damages to the school's reputation.

Service personnel characteristics such as assurance, empathy, and reliability are vital because teachers and staff's attitude and professionalism impact students' and parents' daily experiences. For Pyae Shan, where each encounter either helps or harms from its growing reputation, employees need to constantly exhibit assurance, empathy, and reliability. When families are treated well, cared for, and supported by knowledgeable staff members, they are more likely to trust and remain faithful to the school.

Service facility elements like physical facility, learning environment, and the communication material are crucial since they have a direct impact on how families see the quality of care and education given. According to Pyae Shan, keeping classrooms tidy and functioning, creating innovative learning environments, and having efficient communication systems all serve to uphold the school's validity and significance. Additionally, facilities support academic achievement, comfort, and engagement among students—all of which have an effect on retention and satisfaction.

Service value variables such as service quality, co-delivery value, and co-creation value are significant because they represent whether students and parents believe they gain effectively from their involvement with the school. In addition to providing superior services, Pyae Shan actively collaborates with families via co-creation and co-delivery.

Parents' and students' emotional commitment and loyalty are strengthened when they work together on classroom activities, decision-making, or school improvement projects. This increases the school's resilience and attraction.

This study is important because it addresses a gap in the state of knowledge regarding service management in the private school sector of Myanmar. It also provides Pyae Shan Private High School with helpful recommendations for enhancing service experiences, building trust, and increasing customer satisfaction and retention. By doing this, the study helps the school succeed in a competitive environment and provides valuable data for other private schools dealing with similar issues.

1.2 Objectives of the Study

The main objectives of the study are as follows:

1. To analyze the effect of service encounter approach on customer satisfaction in Pyae Shan Private High School;
2. To examine the effect of customer satisfaction on retention in Pyae Shan Private High School; and
3. To analyze the moderating effect of trust on the relationship between customer satisfaction and retention in Pyae Shan Private High School.

1.3 Scope and Method of the Study

This study mainly focuses on the effect of service encounter approach on customer satisfaction and retention in Pyae Shan Private High School. In 2024-2025 academic year, there are 209 customers (parents) in Pyae Shan Private High School. The target sample size for this study is 136 by using the Raosoft sample size calculator. Simple random sampling method was employed to select participants. Primary data was collected through an online survey method using a structured questionnaire that includes 5-point Likert Scale questions. Secondary data was gathered from various sources, including relevant textbooks, articles, journals, websites, and other related information resources to support the research objectives. Descriptive statistics and linear regression analysis were applied for data analysis in this study.

1.4 Organization of the Study

This study is composed of five chapters. Chapter one is the introduction section, which includes introduction of the study, the rationale of the study, the objectives of the study, the scope and method of the study, and the organization of the study. Chapter two describes the theoretical background of service encounters, customer satisfaction, trust, retention, review on previous research papers and conceptual framework of the study. Chapter three includes organization profile, service encounter activities for customer satisfaction in Pyae Shan Private High School, reliability analysis and profile of respondents. Chapter four describes customer perception on service encounter approach, customer satisfaction, trust and retention, analysis on the effect of service personnel on customer satisfaction, analysis on the effect of service facility on customer satisfaction, analysis on the effect of service value on customer satisfaction, analysis on the effect of customer satisfaction on retention and analysis on the moderating effect of trust on the relationship between customer satisfaction and retention in Pyae Shan Private High School. Finally, chapter five is the concluding chapter which includes findings and discussions, suggestions and recommendations, and needs for further research.

CHAPTER 2

THEORETICAL BACKGROUND

The literature review provides a thorough understanding of the key concepts and theories related to service encounter approach, customer satisfaction, trust, and retention. It also examines previous studies that have explored these variables across various service sectors, including education. Furthermore, this section introduces the conceptual framework of the study, which integrates the key variables and their interrelationships, and discusses the theoretical models that support this framework.

2.1 Service Encounter Approach

The active participation of the client in the service creation process is one of the traits that distinguish services. Every moment of truth is a customer-provider encounter in which each party fulfills a specified duty in an environment created by the service organization (Fitzsimmons & Fitzsimmons, 2011). According to Bitner and Wang (2014), a service encounter is any specific interaction that takes place between a consumer and a service provider and is pertinent to the core service offering. This includes encounters that are directly related to the service being provided. These contacts include both direct and indirect ones, and they include things like how service staff behave, how good the facility is, and how much people think the service is worth. Service encounter approach includes service personnel, service facility and service value.

2.1.1 Service Personnel

Personality attributes such as flexibility, ambiguity tolerance, situational cue adaptation, and customer empathy are appropriate for customer interaction professionals. Empathy has been found to be more important among these qualities than attributes like age, education, sales-related expertise, training, or IQ (Fitzsimmons & Fitzsimmons, 2011). Some people may find frontline service positions boring and repetitious, but others see them as chances to communicate and engage with a variety of people. A rigorous selection procedure is still required to assure high-quality service interactions, even though people

with good interpersonal skills are frequently drawn to high-contact service professions (Fitzsimmons & Fitzsimmons, 2011).

Service personnel are defined as individuals within an organization who directly interact with customers and play a role in the service delivery process. Service personnel include teachers, administrative staff, and support staff, all of whom significantly influence the experiences of students and parents (Bitner & Wang, 2014). In this study, service personnel context includes assurance, empathy and reliability.

(a) Assurance of Service Personnel

Assurance is a dimension of service quality that refers to the expertise, courtesy, and competence of staff members, as well as their ability to instill confidence and trust in clients (Parasuraman et al., 1988). The assurance dimension plays a vital role in shaping clients' perceptions of reliability and trustworthiness, especially in service environments where intangible elements dominate. In educational institutions, this includes how confidently and clearly staff and teachers communicate with students, answer questions, and provide guidance. The ability of staff members to establish client trust, guarantee that clients feel safe during transactions, uphold constant civility, and accurately respond to client questions are important characteristics of this dimension (Tjiptono & Chandra, 2011).

The performance of employees, who must exhibit competence, expertise, and civility throughout the service delivery process, is closely related to assurance in education. Quality assurance is becoming more important as the demand for high-quality education rises, especially in international universities where faculty and student mobility and international collaboration are commonplace (Chen & Childhood, 2016). Quality assurance serves as a driver for achieving excellence in higher education, with students being the central focus. Investing in systems and processes that enhance assurance can lead to greater student satisfaction and improved educational outcomes (Chen & Childhood, 2016).

(b) Empathy of Service Personnel

According to Parasuraman et al. (1988), empathy is the capacity of service providers to offer individualized attention and comprehend the particular requirements of

parents and students in a private school setting. In order to provide a high-quality service experience, it includes empathy, personalized attention, and a thorough comprehension of the demands of the client (Tjiptono & Chandra, 2011). According to Chen and Childhood (2016), empathy is a psycho-social notion that refers to the capacity to perceive and react to the emotions and feelings of others. Empathy is valued by both staff and students as an essential element of the co-created service experience, especially in educational contexts (Smith & Taylor, 2020).

It has been demonstrated that giving each student individualized attention improves their educational experience, which is something that both staff and students value (Johnson et al., 2019). Empathy in education also contributes to creating a safe and inclusive environment where students feel respected and understood. According to Tjiptono and Chandra (2011), empathy is exhibited by qualities like providing clients with individualized attention, treating them with care, putting their interests first, comprehending their requirements, and providing convenient working hours. Together, these factors help parents and students develop trust and contentment, which makes empathy a crucial factor in determining the caliber of educational services.

(c) Reliability of Service Personnel

A crucial component of service quality is reliability, which is the capacity of service providers to provide services consistently and precisely, building client confidence (Tjiptono & Chandra, 2011). This dimension includes qualities like meeting deadlines, delivering services on schedule, managing client concerns with dependability, delivering services accurately the first time, and keeping accurate records. Reliability in the educational setting guarantees consistent academic quality and administrative support, both of which are critical for fostering parent and student satisfaction and trust (Parasuraman et al., 1988).

According to Parasuraman et al. (1988), reliability is the capacity to carry out promised services accurately and consistently, meaning that the service is provided correctly the first time and that the organization keeps its word. In the field of education, a school's capacity to meet its obligations regarding academic standards, service delivery guidelines, and curriculum quality is directly linked to the trust that students have in it. In early childhood education, the value of dependability is also clear. Preschools that offer

safe and nutritious meals, finish assignments on time, help kids solve issues, and regularly present parents with accurate information about their child's education are highly valued by parents (Chen & Childhood, 2016).

2.1.2 Service Facility

Service facilities are all the things that are needed for effective teaching – learning process to take place. They are designed to enhance the process of teaching (Lawanson et al., 2011). A service facility in a private school encompasses the physical and digital environments where educational services are delivered. This includes buildings, classrooms, libraries, laboratories, and administrative offices, all of which contribute to student learning and well-being (Zeithaml et al., 2018). Service facility includes physical facility, learning environment and communication material.

(a) Physical Facility

Physical facilities are tangible infrastructure that supports the educational process and improves the overall student experience, such as cafeterias, sports complexes, auditoriums, and classrooms (Kotler & Fox, 1995). Because they have a direct impact on learning both within and outside of the classroom, facilities are an essential part of education. A comfortable setting that allows pupils to study efficiently and advance their skills is created by adequate facilities, such as furniture, writing instruments, and other resources (Wolfe, 2018). Because these resources have a major impact on student performance and happiness, schools have historically relied on well-maintained buildings to support educational success (Twum & Pephrah, 2020).

Educational facilities include all learning-related resources, such as classrooms and instructional media, while infrastructure refers to secondary supports like school buildings, utilities, and furniture. Because they have a direct impact on students' learning capacities, infrastructure and facilities are both necessary for developing an efficient teaching and learning environment (Herwan et al., 2018). In addition to drawing and keeping talented educators, first-rate school infrastructure and facilities also enhance student performance and have a beneficial effect on the larger community (Alkadri et al., 2017).

Infrastructure and facilities are essential tangible resources that support the effectiveness of the teaching and learning process. Thus, raising the standard of educational infrastructure and facilities is crucial to raising the standard of education generally and increasing the appeal of schools to parents and students (Alkadri et al., 2017).

(b) Learning Environment

A learning environment refers to the physical, social, and psychological conditions under which learning takes place, encompassing everything from classroom layout and resources to interpersonal relationships and the overall climate that supports or hinders student learning (Fraser, 2012). The learning environment encompasses both the psychological and physical components of a school, including classroom design, technological accessibility, student-teacher interactions, and the overall school culture that fosters effective learning (Fraser, 1998). A well-designed learning environment not only supports cognitive development but also promotes emotional well-being and student engagement. It also includes social, psychological, and educational contexts that influence students' attitudes and academic performance (Fraser, 2012).

Students' happiness with the learning environment is influenced by a number of internal and external factors. Individual needs, interests, and expectations are examples of internal elements; social interactions, instructional quality, and institutional support are examples of external ones (Ibrahim et al., 2023). Wong and Chapman (2023) highlighted that how environmental elements affect learning motivation and how they interact with student satisfaction. Because of the strong correlation between student satisfaction and outcomes like retention, academic achievement, and employability, educational institutions are investing in tools and tactics to improve the learning environment. This entails enhancing study habits, instructional strategies, assessment procedures, student accountability, educational advice, and the general standard of education (Wong & Chapman, 2023).

(c) Communication Material

Communication material refers to any content or medium such as brochures, posters, digital content, videos, or advertisements designed to convey messages and information to a specific audience for the purpose of informing, educating, or persuading

(Smith & Zook, 2011). Communication material associated with service facilities include brochures, school websites, student handbooks, digital platforms, and advertisements. Information concerning school services, policies, and educational programs must be communicated using these techniques (Kotler & Fox, 1995). Life has become more complicated as a result of the profound changes in social, cultural, and economic spheres brought about by the quick advances in science and technology. Education systems need to be regularly assessed and adjusted to reflect these developments (Tor, 2004).

The digital revolution had a significant impact on a number of facets of society, such as healthcare, education, political views, lifestyles, and environmental arrangements. The way individuals interact and access information is changing as a result of this ongoing revolution (Tapscott, 1998). Even if the basic goal of communication hasn't changed, its forms and instruments have. Communication vehicles have diversified, advanced, and increased in number, with their usage expanding beyond mere communication. Social networking sites are now used not only for interaction but also for educational purposes, such as teaching colleagues or assigning homework to students (Aksu et al., 2011).

2.1.3 Service Value

Service value in private education sector refers to the perceived worth of educational services received by students and parents relative to the costs incurred. This value encompasses aspects such as quality education, extracurricular activities, and overall student development (Zeithaml, 1988). Service value is a critical factor in determining the satisfaction and loyalty of stakeholders, as it reflects the balance between the benefits received and the resources invested. Service value includes service quality, co-delivery value and co-creation value.

(a) Service Quality

Quality has been defined differently by various authors. Some prominent definitions include conformance to requirements, fitness for use, or one that satisfies the customer (Crosby, 1979). Quality is also defined as zero defects in the firm's offerings. Due to the intangible, heterogeneous, perishable, and simultaneous nature of services, a distinct framework is required for quality explication and measurement (Crosby, 1979).

Tjiptono (2004) stated that quality as a measure of the perfection of a product or service consisting of two dimensions: design quality and conformity quality. Design quality refers to the specific function of a product or service, while conformity quality measures the degree of alignment between product or service and pre-determined quality requirements or specifications. Vargo and Lusch (2017) described service as a process of interaction in which something is done for someone. Service quality is the overall perception of the excellence of educational services provided by a private school and is evaluated based on factors like teaching effectiveness, administrative efficiency, and student satisfaction (Parasuraman et al., 1988). Gummesson explain that a service is an intangible good that may be purchased and sold but cannot be physically experienced (Tjiptono & Chandra, 2011). According to Lukman (2000), service quality is a guarantee that people being served will experience benefits.

The opinion of the service's user or consumer is frequently used to evaluate quality. Perceived quality, as described in the services literature, is defined as the consumer's judgment regarding an entity's entire experience or superiority (Zammuto et al., 1996). According to Parasuraman et al. (1990), customer perceptions of service quality are the outcome of contrasting their actual experience with their pre-service expectations. A comparison of expectations and performance perceptions leads to perceived quality, which is also viewed as an attitude that is connected to but distinct from satisfaction (Rowley, 1996).

Perceived service quality is the product of evaluations of multiple service encounters. In the context of a student, these encounters could range from interactions with office staff to tutors, lecturers, and heads of departments (Hill, 1995). If an organization consistently provides service that exceeds customer expectations, the service can be evaluated as high quality. Conversely, if an organization fails to meet customer expectations, the service will be judged as poor quality (Zammuto et al., 1996).

(b) Co-delivery Value

Co-delivery value in private schools refers to the collaborative process between the school and its stakeholders including teachers, parents, students, and external partners to jointly provide educational services that meet or exceed expectations (Prahalad & Ramaswamy, 2004). Co-delivery value is especially important in private schools since they

can provide more individualized and flexible learning opportunities than public ones. Ball (2003) pointed out that private schools can participate in co-delivery techniques more successfully since they frequently have more control over curriculum design and budget allocation. In order to sustain high levels of client satisfaction and retention, private schools must be able to innovate and quickly adjust to the shifting demands of its kids and families. Additionally, co-delivery value's collaborative character fosters stakeholder loyalty and trust, both of which are essential to the long-term viability of private schools (Gronroos, 2011).

Co-delivery value implementation in private schools is not without difficulties, though. According to Molesworth et al. (2009), an institution's culture must change for co-delivery to be successful. This can be especially difficult at private institutions, where parents or staff used to more traditional methods might be resistant to change. Furthermore, the availability of resources and everyone's willingness to devote time and energy to the cooperative process are critical to the achievement of co-delivery value. In spite of these obstacles, co-delivery has the potential to yield greater student involvement, greater happiness, and closer community relationships in a competitive educational environment.

(c) Co-creation Value

Co-creation value is the process by which teachers, parents, and students work together to create individualized learning experiences and enhance the institution (Prahalad & Ramaswamy, 2004). This idea places a strong emphasis on the active involvement of all parties involved in determining educational results, guaranteeing that value is not produced alone by the institution but rather through collaboration. Faculty and students are both vital players in the educational environment since value is constantly co-created, claimed by Vargo and Lusch (2017). This cooperative strategy is in line with the service encounter method, which highlights how interactions between consumers (parents and students) and service providers (teachers) shape retention and satisfaction.

Co-creation can be especially difficult in educational settings since different stakeholders and students may have varied requirements, expectations, and engagement levels. When students are urged to step beyond of their comfort zones in order to get deeper and more significant learning results, the process may also cause discomfort (Bovill, 2020). However, because it promotes critical thinking, improves problem-solving abilities, and

supports long-term academic and personal growth, co-creation continues to be an essential part of the service encounter strategy.

2.2 Customer Satisfaction

Customer satisfaction refers to the extent to which students and parents are content with the educational services, facilities, and overall experience provided by the institution (Hsu, 2018). In an educational setting, satisfaction is a critical measure of how well the school meets or exceeds the expectations of its stakeholders. Higher levels of perceived service quality are strongly associated with improved student satisfaction (Annamdevula & Bellamkonda, 2016).

According to Kotler and Clarke (1987), a person experiences satisfaction when a service meets or above their expectations. The degree to which stakeholders' expectations and their perceived experiences line up determines satisfaction in private schools. Even prior to enrollment, parents and students frequently develop expectations regarding the standard of instruction, extracurricular activities, and general school climate (Palacio et al., 2002). Their degree of enjoyment is greatly influenced by these expectations. On the other hand, Carey et al. (2002) highlighted that students' perceptions and experiences during their time at the institution also have an impact on their level of satisfaction. This dual viewpoint emphasizes the necessity for private schools to continuously provide top-notch experiences for students throughout their academic careers, in addition to meeting initial expectations.

Although some academics advise against considering students as merely consumers, the competitive environment of education has altered this perspective. As fee-paying parents and students, Williams (2002) contended that they now demand that their needs be met and their opinions be heard. The significance of implementing a service encounter strategy in private schools where interactions between the school and its stakeholders are carefully controlled to improve satisfaction and retention, is highlighted by this changing dynamic.

In recent years, the concept of customer satisfaction in education has evolved to encompass not only the tangible aspects of service delivery such as infrastructure, classroom facilities, and administrative efficiency but also intangible elements like emotional engagement, trust, and the quality of interpersonal interactions between students and staff (Clemes et al., 2008). The affective dimension of satisfaction, including students' feelings of belonging, respect, and motivation, has been shown to significantly influence

their overall perception of the school experience (Elliott & Healy, 2001). In private educational institutions, where service expectations are typically higher due to financial investment, emotional satisfaction can play a pivotal role in shaping long-term loyalty and positive word-of-mouth communication. Therefore, enhancing satisfaction involves more than just delivering academic content. It requires creating a supportive, engaging, and personalized environment where students feel valued and understood.

Moreover, the long-term implications of student satisfaction extend beyond immediate retention. Satisfied students are more likely to become advocates for the institution, recommending it to peers and family, thereby influencing future enrollment (Helgesen & Nettet, 2007). This underscores the strategic importance of satisfaction as a driver of institutional reputation and growth. Additionally, parental satisfaction often tied to clear communication, transparency, student progress, and overall service quality. It also plays a significant role in the decision-making process in private schools (Thomas & Galambos, 2004). As such, private schools must engage in systematic feedback collection, performance monitoring, and continuous improvement practices to ensure that the evolving expectations of both students and parents are being met. By adopting a customer-focused mindset, schools can not only enhance satisfaction but also strengthen stakeholder relationships and institutional resilience in a competitive educational landscape.

2.3 Trust

According to the Morgan and Hunt (1994), trust is defined as the confidence that one party has in another, founded on honesty and dependability. Trust is essential for building lasting engagement and loyalty in the organization. Trust guarantees that both parents and students have faith in the school's capacity to provide high-quality instruction and a secure, supportive learning environment. Stakeholders' engagement to the school is strengthened when they are encouraged to have optimistic expectations about its future conduct (Sirdeshmukh et al., 2002). This is especially crucial in the field of education, as trust creates a nurturing atmosphere that improves learning results (Bryk & Schneider, 2002).

According to Rojas-Mendez et al. (2009), trust in the educational setting refers to parents' and students' faith in the institution's dependability and honesty. Satisfied stakeholders are more likely to trust their service supplier. Vlachos et al. (2009) also

stressed that the connection between trust and satisfaction, stressing the significance of fostering trust in order to improve customer retention and loyalty. Building trust via dependable and regular service delivery can have a big impact on student retention and happiness at private schools.

The competency of the service provider including their knowledge and capacity to give trustworthy information is the foundation of trust (Swan et al., 1999). The willingness of the service provider to put the needs of parents and pupils first, or their benevolence, affects confidence. When the perceived risk of failure declines, trust becomes more crucial (Swan et al., 1999). These components highlight how crucial it is to establish trust via open communication, reliable performance, and a dedication to the welfare of stakeholders.

Trust is not only a foundation of relationship marketing but also a key determinant of long-term success in service-oriented institutions like private schools. According to Ball et al. (2004), trust influences the willingness of customers to commit to a long-term relationship with a service provider, especially in settings where service quality cannot be fully evaluated before consumption such as education. Parents and students make significant financial and emotional investments based on their trust that the institution will act in their best interest. When a school demonstrates consistency, competence, and concern for individual student needs, it builds relational trust that can lead to higher satisfaction, reduced uncertainty, and enhanced commitment. Particularly in private education, where choices abound and expectations are high, trust serves as a psychological contract that binds stakeholders to the institution.

Furthermore, the development of trust in private schools is a dynamic and interactive process that is built over time through meaningful service encounters. Positive interactions with teachers, transparent communication from administrators, and timely responsiveness to concerns are all essential touchpoints that influence stakeholders' perception of trustworthiness (Delgado-Ballester et al., 2001). When schools deliver on their promises and demonstrate a consistent pattern of integrity and care, parents and students are more likely to develop affective trust—an emotional form of trust that strengthens loyalty. As noted by Tschannen-Moran and Hoy (2000), trust fosters a climate of respect and collaboration that is essential for academic engagement and social-emotional development. Thus, trust is not only a passive perception, but also an active construct that schools must nurture deliberately to ensure sustained student retention and satisfaction.

2.4 Retention

Retention refers to the rate at which students continue their studies at a school from one year to the next (Kotler & Armstrong, 2012). Higher retention rates indicate good customer satisfaction and trust in the school. It is measured as the percentage of students who re-enroll. Retaining students is essential to private schools' institutional reputation and financial health. In order to comprehend how service interactions affect retention, researchers have examined student retention from a variety of angles, such as attrition, school culture, and parent satisfaction.

A method for comprehending retention centers on the service of the school and the community. It is crucial to match school service with the objectives and values of students and their families (Schein, 2006). Retaining students requires a school environment that reflects community standards because it creates a sense of participation and belonging. Establishing an environment that appeals to both parents and students can improve student happiness and foster enduring loyalty to the school.

Parent happiness is another important component of student retention. According to Ravitch (2010), parents are more inclined to stick with a school if they believe it is fulfilling their expectations. On the other hand, parents may decide to remove their children from school if they believe it is not living up to their expectations (Gallanter, 1994). This emphasizes how crucial it is to provide parents with continuous, excellent service interactions that foster their trust and happiness. Retention rates can be considerably raised by meeting parent expectations through efficient service delivery and communication. In conclusion, elements including school culture, parent satisfaction, and the value of service interactions all have an impact on student retention in private schools.

Another important dimension influencing student retention in private high schools is the nature and quality of service encounters between the school and its stakeholders. A service encounter refers to any direct interaction between students or parents and school representatives, including teachers, administrators, and support staff. According to Tinto (1993), meaningful and supportive interactions enhance students' sense of belonging and connection to the institution, which are critical factors in retention. When students and parents experience consistent, respectful, and helpful communication during enrollment,

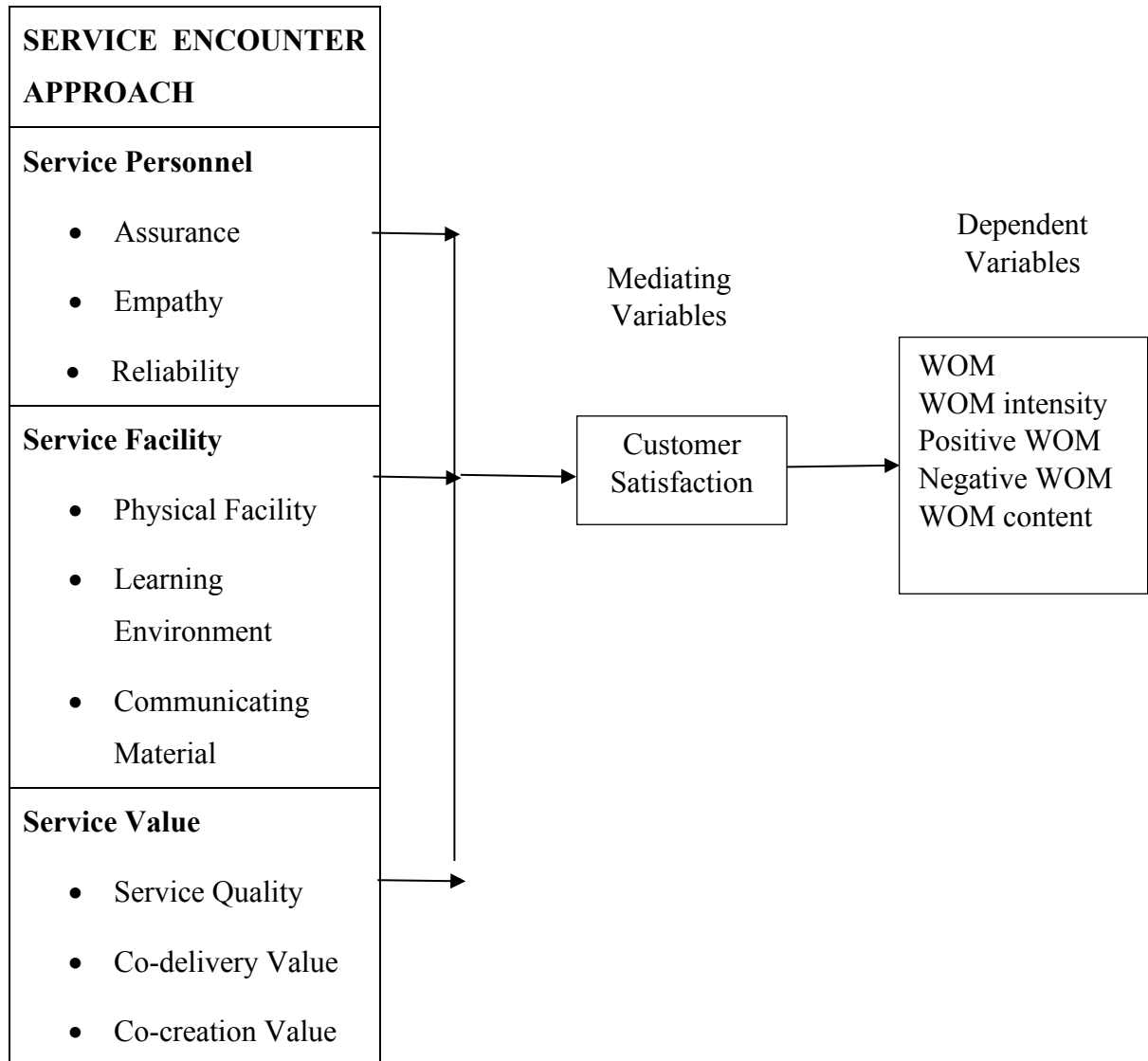
orientation, academic advising, or even conflict resolution, it fosters a positive perception of the school. Bryk and Schneider (2002) further highlighted that relational trust developed through these day-to-day interactions significantly affects stakeholders' willingness to remain committed to the school. Service encounters such as parent-teacher conferences, timely feedback, and availability of staff can serve as retention mechanisms by reinforcing trust and satisfaction.

Moreover, retention is not only influenced by the academic services provided but also by how they are delivered throughout the student's journey. The service encounter approach emphasizes that each point of contact contributes to stakeholders' overall perception of the school. According to Bitner et al. (1990), successful service encounters involve responsiveness, empathy, and professionalism, all of which positively affect how students and parents evaluate their experience. When service encounters are managed with care such as promptly addressing student concerns, accommodating individual needs, and maintaining open communication, students and parents are more likely to feel valued and supported, increasing their likelihood of continued enrollment. Therefore, focusing on high-quality service encounters is crucial for enhancing retention outcomes in private school settings.

2.5 Previous Studies

Previous studies are crucial component of any study. They serve as the basis for ongoing study. Kubenea (2022) studied the research "Service Encounter Approach and Word of Mouth: A Service Context of Higher Learning Institutions in Kilimanjaro Tanzania". The study aimed to assess how the service encounter approach influences word of mouth (WOM) communication in higher learning institutions (HLIs). The main objective was to evaluate the relationship between service encounter elements and WOM. Specifically, the study sought to determine the effect of service personnel on WOM, to examine the relationship between service facility and WOM, and to assess the effect of service value on WOM. The conceptual framework of Kubenea (2022) is shown in Figure (2.1).

Figure (2.1) Conceptual Framework of Kubenea
Independent Variables



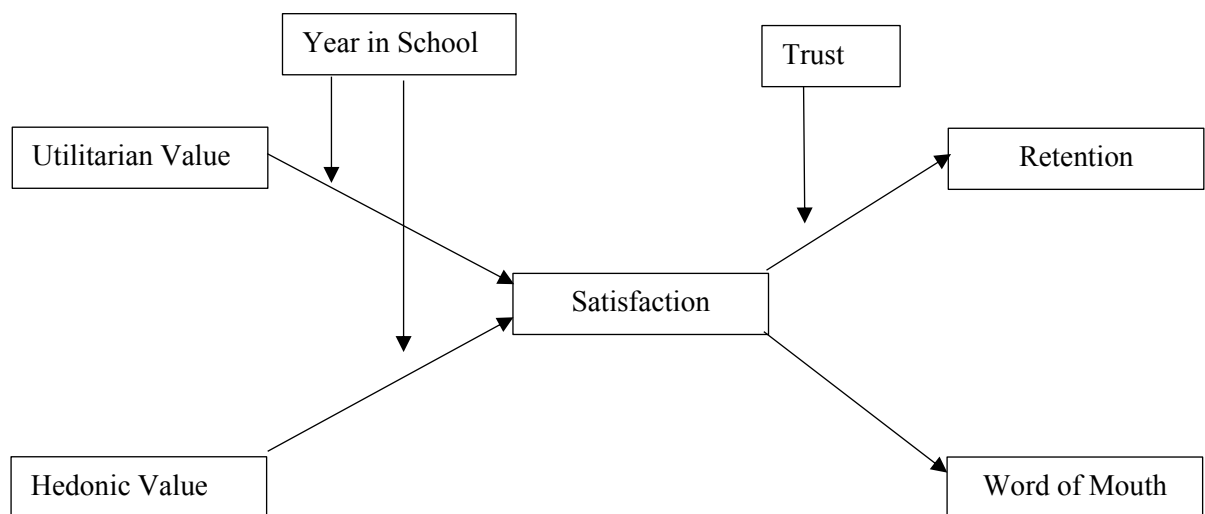
Source: Kubenea (2022)

The research employed a cross-sectional design and collected data from 273 students across three HLIs in Kilimanjaro using stratified and simple random sampling. Primary data were gathered through structured questionnaires and key informant interviews. Analysis was done using Covariance-Based Structural Equation Modeling (CB-SEM) in AMOS 26. The findings revealed that service facility and service value had a significant positive effect on WOM. Moreover, customer satisfaction was found to mediate the relationship between service encounters and WOM. This implied that satisfaction or dissatisfaction must occur during service encounters for positive or negative WOM to

emerge. The study recommended that HLIs should invest in enhancing service personnel, service facilities, and service value to foster positive WOM and strengthen institutional reputation.

Ho et al (2021) conducted the title "The Impact of Satisfaction on Retention and Word-of-Mouth Action: A Case Study of Dai Nam University Student". This study explored how student satisfaction influences their decision to remain at the university and engage in word-of-mouth (WOM) marketing. The main objectives of the study were to evaluate the relationship between utilitarian value, hedonic value, and student satisfaction at Dai Nam University, to examine how satisfaction affects retention and WOM behavior; and to assess the moderating roles of trust and year of study on these relationships. The study aimed to identify practical factors that can enhance service quality in higher education and strengthen student commitment and promotion of the institution. The conceptual framework of Ho et al. (2021) is shown in Figure (2.2)

Figure (2.2) Conceptual Framework of Ho et al.



Source: Ho et al. (2021)

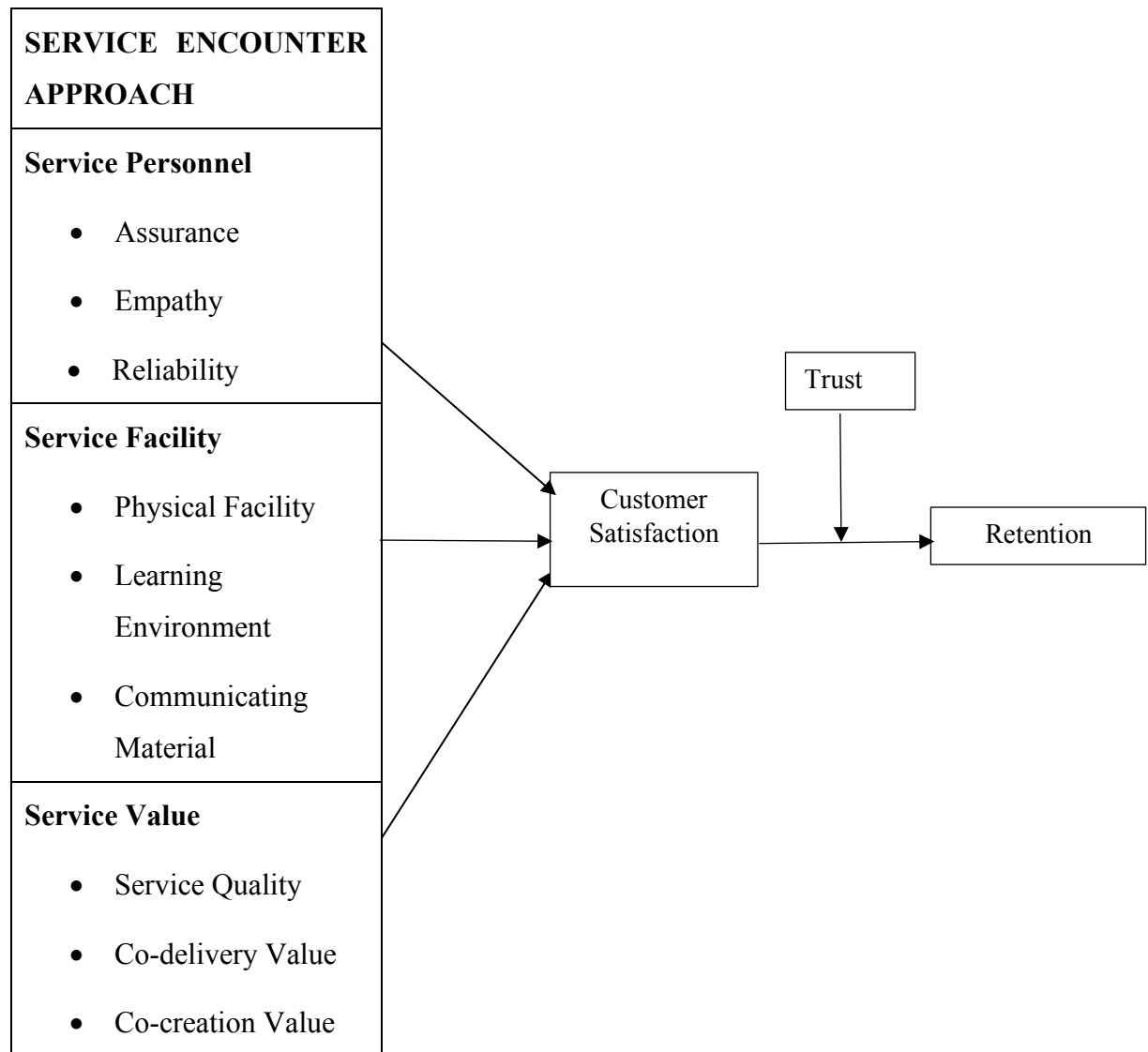
The research employed a quantitative method and collected data through an online survey from 568 students at Dai Nam University. Structural Equation Modeling (SEM) using AMOS software was applied to test the hypotheses. The findings revealed that both utilitarian and hedonic values significantly influenced student satisfaction, which in turn had a positive impact on student retention and WOM behavior. However, while the year of study was found to moderate the relationship between values and satisfaction, trust did not

significantly moderate the relationship between satisfaction and retention. These results underscored the importance of practical benefits and emotional experiences in shaping student loyalty and advocacy.

2.6 Conceptual Framework of the Study

According to the above literature and results from the prior research, the following conceptual model is developed for this study. This study plans to examine the effect of service encounter approach on customer satisfaction and retention with the moderating effect of trust in Pyae Shan Private High School. Based on the above literature review and previous studies, the conceptual framework for this study is shown in Figure (2.3).

Figure (2.3) Conceptual Framework of the Study



Source: Own Compilation (2025)

According to Figure (2.3), in the first part of the conceptual framework, there independent variables of service encounter approach such as service personnel, service facility and service value which are served as main elements. The dependent variable in this section is customer satisfaction, based on Kubenea (2022).

In the second part of the conceptual framework, the independent variable is customer satisfaction and the dependent variables are trust and retention. Additionally, the trust acts as a moderator in this relationship based on Ho et al. (2021).

CHAPTER 3

PROFILE AND SERVICE ENCOUNTER APPROACH PROVIDED BY PYAE SHAN PRIVATE HIGH SCHOOL

This chapter presents profile, vision, mission and organization structure of Pyae Shan Private High School. It also includes service encounter activities for customer satisfaction, reliability analysis and profile of respondents.

3.1 Profile of Pyae Shan Private High School

In Myanmar's private education market, Pyae Shan Private High School, located in Yangon's Hlaing Township, is a developing institution. The school was established in 2020 with the primary goal of offering high school education. However, the COVID-19 epidemic interrupted many of its goals, posing operational issues in the early years. In 2022, the school added middle school classes to its curriculum, demonstrating its adaptability and resilience in the face of severe challenges. Both middle and high school pupils are currently enrolled at the institution. In order to provide a smooth educational experience from primary to high school, Pyae Shan Private High School is getting ready to launch primary education in the next academic year, which will be an important milestone in its development.

The school currently has 43 committed employees, including 13 non-teaching staff members and 30 teaching staffs, all of whom are essential to fostering an environment that is encouraging and stimulating for children. The majority of Pyae Shan's clients are from middle-class and lower-class families. The school is guaranteeing that a wide spectrum of students can continue to get high-quality education. In a very competitive educational environment, among twelve private schools in Hlaing Township alone and four more nearby, the school has established a space for itself by focusing on a comprehensive education. In order to differentiate itself from competitors, Pyae Shan Private High School incorporates extracurricular activities, ethical principles, and personal development into its curriculum in addition to academic excellence.

The school now works two shifts to satisfy the needs of the students, but in the next school year, the plans are in place to switch to a single shift that runs from 8:30 AM to 3:00

PM. It is anticipated that this modification is going to improve the educational experience by giving staff and students a better organized and smooth daily schedule. In order to accommodate its expanding student base, the school is also getting ready to move to a new site on Bayintnaung Street, which will provide better facilities and a bigger campus. The school previously was situated at its current location on Aye Yeik Mon 2nd Street, but this upcoming transfer demonstrates Pyae Shan's dedication to advancement and long-term growth.

3.1.1 Vision and Mission of Pyae Shan Private High School

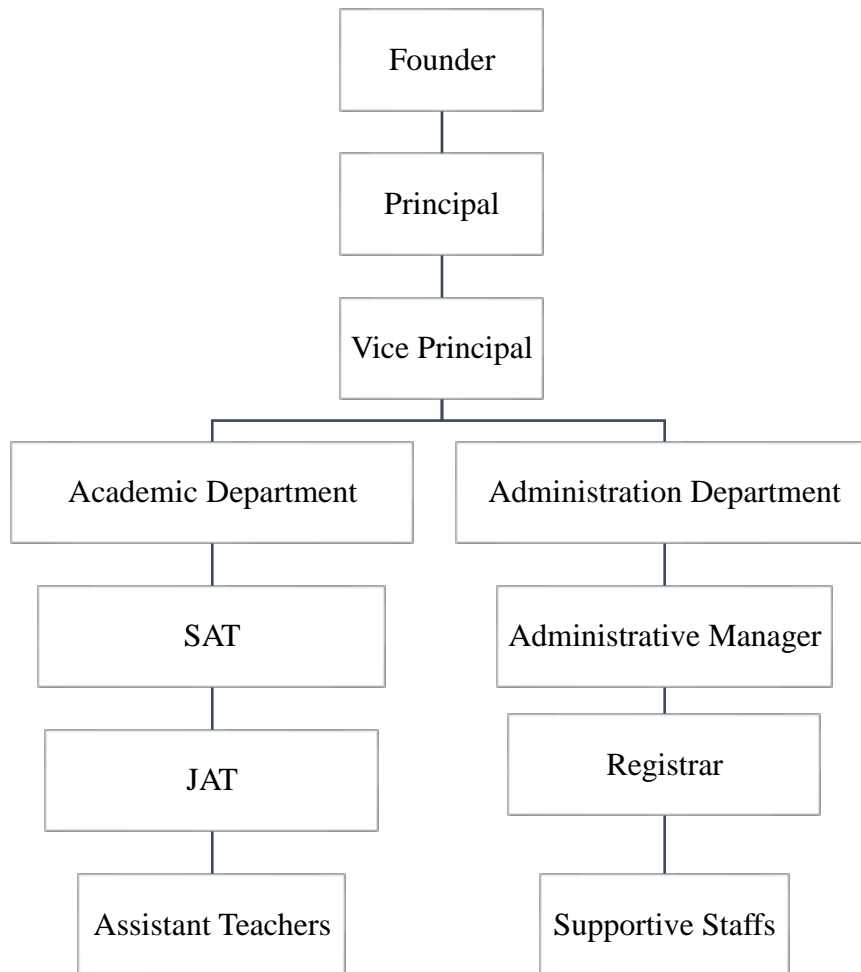
The vision and mission of Pyae Shan Private High School are important to its concept and serve as a guide for all of its activities. The school's vision is to empower students with the knowledge, values, and skills necessary to thrive in a rapidly changing world, preparing them not just for academic success but for life beyond the classroom.

The mission of Pyae Shan Private High School is to provide students a balanced education that fosters academic excellence, personal growth, and ethical integrity. To achieve these ideas, the school has set three clear goals. The first one is ensuring students excel in their studies and are prepared for future educational and career opportunities. The second one is providing activities that help students grow emotionally, socially, and physically. The last one is teaching values that encourage students to act responsibly and contribute positively to their community.

3.1.2 Organizational Structure of Pyae Shan Private High School

For efficient service and operations, Pyae Shan Private High School develops the departments with different roles and responsibilities. Figure (3.1) represents the organizational chart of Pyae Shan Private High School.

Figure (3.1) Organizational Chart of Pyae Shan Private High School



Source: Pyae Shan Private High School (2025)

The organizational structure of Pyae Shan Private High School has tall structure with meaningful service interactions at all levels, which has a direct effect on customer (parent and student) satisfaction and retention over the long run.

The founder is visionary leader and is in charge of defining the school's missions, vision, and long-term strategic objectives. In order to maintain enrollment and foster parent confidence, this position makes sure the school is stable and in line with its educational approach. All academic and operational choices are based on the founder's leadership, which promotes an atmosphere where student achievement and service quality are given to top priority. The founder indirectly supervises each service interaction by establishing the overall direction, which guarantees that the school is continued to be a reliable option for families in a competitive educational environment.

The principal is in charge of both academic and administrative operations and acts as the school's chief executive officer. This position is essential to upholding excellent service quality because it establishes performance expectations for employees, promotes a healthy school climate, and handles significant parent complaints. Student outcomes and parent satisfaction are directly effected by the principal's efforts to ensure that the school's vision is realized through practical methods. The principal plays an important role in settling conflicts and restoring confidence between the school and its stakeholders. Their ability to lead is essential to creating a helpful and cohesive learning environment.

The vice principal assists the principal in day-to-day operations, concentrating mostly on disciplinary and academic supervision. This position provides efficient classroom management, prompt handling of behavioral problems, and compliance with academic regulations. The vice principal improves parent satisfaction and student involvement by upholding a disciplined and supportive learning environment. They are a vital link between leadership and frontline service delivery because of their tight cooperation with teachers and staff, which helps maintain the school's standards. The school's reputation for excellence and discipline is greatly enhanced by the work of the vice principal.

(1) Academic Department

Senior Academic Teachers (SATs) are in charge of teaching high school pupils in Grades 10, 11, and 12 challenging themes with knowledge and skill. In addition to instructing, SATs take the lead in curriculum development, making sure that it complies with both school requirements and national norms. Each subject team has a SAT who acts as the subject dean, managing exam-related issues such paper preparation, moderation, and uniform grading throughout the school. In order to uphold the quality of education, this position also entails mentoring Junior Academic instructors (JATs) and encouraging cooperation among subject instructors. SATs support the school's dedication to excellence by encouraging students and staff, which has a direct effect on student achievement and parent trust in the school's academic reputation.

The Junior Academic Teacher (JAT) teaches middle school students in Grades 6 through 9, adapting instruction to their foundational and developmental learning needs. In order to ensure curriculum consistency and skill advancement as students move into higher

grades, JATs collaborate closely with SATs. Under the direction of the subject dean, they use dynamic teaching techniques to promote critical thinking and subject knowledge while also helping students get ready for tests. JATs strengthen the school's comprehensive approach to student development by addressing the particular difficulties faced by teenage learners and establishing a helpful link between elementary and high school education.

Assistant teachers ensure that students stay attentive and involved during courses by offering crucial support to both SATs and JATs during classroom instruction. They support classroom management by addressing specific student needs and upholding discipline, enabling the lead teacher to effectively present the material. In addition, assistant teachers oversee student progress, conduct tutoring sessions, lead teachers receive feedback, and lead small-group activities. Their presence guarantees more smooth transitions between course segments and improves the learning environment by allowing more personalized attention, especially in larger classes. This cooperative relationship shows how committed the school is to providing inclusive and specific instruction.

(2) Administrative Department

The administrative manager is in charge of the administration department and is in charge of non-academic tasks such as parent communication, facilities, fee management, and admissions. In order to establish a good first impression and maintain customer satisfaction, this position makes sure that administrative procedures are effective, transparent, and easy to use. The administrative manager improves the overall customer experience and makes the school a family's first choice by organizing operations and resolving operational issues.

The registrar regulates attendance, student records, and following to academic rules. This position streamlines procedures for staff and parents by guaranteeing confidentiality and accuracy in paperwork. The registrar helps ensure smooth school operations and reduces administrative problems by keeping records that are easily accessible and well-organized. Their attention to detail maintains the professionalism and quality of the school.

The support staff includes drivers, maintenance staff, office assistants, security, and cleaning staffs. They all are essential in keeping the school environment tidy, safe, and operational. Even though they frequently work in the background, their efforts have a big influence on everyday service interactions. A clean campus and polite faculty create a good

environment that improves how parents and students view the school. Their commitment ensures that the school's drive to quality is reflected in every engagement, no matter how minor.

This thorough organizational structure demonstrates how every position at Pyae Shan Private High School supports an overall ecosystem of service excellence, which in turn promotes long-term success, loyalty, and job satisfaction.

3.2 Service Encounter Approach Provided by Pyae Shan Private High School

This section outlines the services and features of Pyae Shan Private High School, which is aimed at ensuring customer satisfaction and encouraging retention in the school. Service encounter approach to ensure customer satisfaction includes service personnel, service facility and service value.

3.2.1 Service Personnel

Service personnel attribute in this study includes assurance, empathy and reliability. The service personnel factors provided by Pyae Shan Private High School is described in the following sub sections.

(a) Assurance

Assurance at Pyae Shan Private School is based on students' and parents' trust in the school's staff, notably teachers and administrators. This is made possible by the school's strict recruitment processes, ongoing professional development, and emphasis on moral behavior. In addition to being highly qualified in their fields, teachers also get ongoing training on modern teaching methods, classroom management, and student engagement tactics. In order to immediately and accurately handle parental concerns, administrators receive training in effective communication and problem-solving techniques. The school builds trust and reliability by keeping transparency in its disciplinary procedures, academic policies, and evaluation techniques. Parents' trust in the school is strengthened since they know that the children are getting excellent education in a safe and supportive environment.

(b) Empathy

Moreover, empathy in service employees includes knowing and meeting the unique requirements of parents and children. Pyae Shan Private High School teachers adopt a student-centered approach, identifying various learning preferences and offering tailored assistance as required. Students who are struggling academically or emotionally get advice and guidance from teachers. The school also promotes transparent communication with parents, hearing their worries and making any required policy adjustments. Regular parent-teacher meetings and informal talks provide that issues are recognized and handled with empathy. By fostering a supportive environment where all stakeholders feel appreciated, this compassionate approach not only improves student well-being but also builds up the ties that bind the school and families.

(c) Reliability

Reliability is a key component of service delivery, maintaining consistency in all aspects of education. With distinct timetables for lessons, tests, and extracurricular activities, the school follows a well-organized academic plan. To guarantee that courses are delivered efficiently and on time, teachers integrate modern teaching techniques with standardized curricula. To reduce errors and delays, administrative procedures like report card delivery, fee payments, and admissions are accelerated. In order to offer consistent support when students encounter difficulties, the school also keeps a strong support network that includes academic support and counseling services. By providing services consistently and reliably, the school builds a reputation as a trustworthy institution on which parents and students may rely for stability and excellence.

3.2.2 Service Facility

Service facility includes physical facility, learning environment and communication material. The service facility factors provided by Pyae Shan Private High School is described in the following sub sections.

(a) Physical Facility

The physical infrastructure at Pyae Shan Private High School has a significant effect on the service encounter. The spacious classrooms have enough teaching tools, are spacious and have good ventilation. Sufficient and well-equipped resources are available in science labs and computer rooms to support experiential learning. The school library offers a vast collection of books and quiet study spaces to encourage research and self-learning. To encourage extracurricular activities, the school also keeps its sports field clean and secure. A well-maintained physical environment not only improves learning but also demonstrates the school's dedication to offering an exceptional educational opportunity.

(b) Learning Environment

Pyae Shan Private High School offers a friendly and disciplined learning environment that coincides with the government curriculum and develops diverse pupils. Classrooms are set up to promote concentration and participation, and the seating arrangements allow for both solitary study and, when necessary, group work. Teachers use student-centered and interactive teaching strategies to make sure that lessons are organized, understandable, and in compliance with national standards. The school uses extracurricular activities like group presentation, tests, and practical projects that reinforce important ideas to improve learning. In addition to academics, the school provides extracurricular activities in music, art, English (four skills: speaking, listening, reading, and writing), sports, and physical activity. Students' creativity, language ability, teamwork, and physical fitness are all enhanced by these activities. Fair and consistent rules are used to preserve discipline, creating a respectful and organized environment where students are free to grow. In order to ensure that no student is left behind, the school also promotes diversity by offering extra support to those with a range of learning challenges. The school agrees to provide high-quality instruction within the regulations of the national curriculum while promoting all-around growth via stimulating extracurricular activities.

(c) Communication Material

Effective communication is essential for a successful educational experience. The school uses communication channels that are suited to various needs in order make sure that all parties involved students, parents, and teachers remain informed. Every classroom

has a dedicated viber group for daily updates, and class announcements, enabling real-time communication between teachers and parents. They place a higher priority on direct communication via phone calls and SMS in cases of emergency, such as last-minute schedule adjustments, to ensure prompt notification. They use modern technologies to improve classroom instruction in addition to communication. The teachers make use of internet-connected multimedia rooms to enable dynamic and interactive training, high-quality projectors for engaging presentations with images, and blue-tooth speakers for crystal-clear audio during classes. These resources support the development of a stimulating learning atmosphere that maintains students' motivation and engagement. They held frequent parent-teacher meetings, send out thorough progress reports, and offer personalized feedback on student achievement in order to uphold openness and cultivate positive connections with parents. In order to keep everyone informed, significant announcements are rapidly communicated via the viber channel and sometimes via the social media including academic calendars, exam timetables, and school events. By placing a high value on prompt, open, and efficient communication, the school makes sure that parents and students stay in touch, which lowers miscommunication and raises community satisfaction levels. Pyae Shan Private High School is dedicated to creating a setting where all stakeholders feel appreciated and informed, communication flows easily, and technology is used to enhance learning.

3.2.3 Service Value

Service value includes service quality, co-delivery value and co-creation value. The service value factors provided by Pyae Shan Private High School is described in the following sub sections.

(a) Service Quality

As service quality, Pyae Shan Private High School uses highly skilled teachers, advanced technology-equipped classrooms (including projectors, multimedia, and bluetooth speakers), and tough curricula that are in line with national and international standards to provide outstanding instruction that continuously meets expectations. They offer fair, transparent assessments with moderated grading, timely services (exams, punctual reporting), and easy accessibility on our carefully chosen location. Beyond

academics, the school promotes holistic development through extracurricular activities such as art training, music classes, English proficiency course that align with international standards and sport activities. Ongoing enhancements through assessments and feedback keep our high standards, assuring parent satisfaction with their educational commitment and empowering children for success in the future.

(b) Co-delivery Value

In private schools, co-delivery value is essential because it builds a close relationship between teachers, parents, and pupils, assuring culturally relevant instruction while building trust and a sense of shared accountability for academic achievement in a competitive atmosphere. At Pyae Shan Private School, they think that solid partnerships between students, teachers, and parents are essential to the success of education. By incorporating family participation into the educational process, the school's offerings continuously meet up to expectations. Families can directly interact with the curriculum through interactive parent-student meetings that create shared learning experiences. This three-way collaboration ensures that academic ideas are reinforced at home and at school, providing an effective environment that supports each student's academic success and overall growth. The school make education a shared responsibility that optimizes each learner's potential by maintaining open lines of communication and working environments.

(c) Co-creation Value

Co-creation is also a key role in private schools because it changes students from passive learners to active participants in their education, creating increased engagement, personal accountability, and personalized learning experiences that enhance academic performance and holistic development. The school considers that active teacher-student collaboration is the key to achieving true educational achievement. Through feedback sessions and individualized support, teachers engage with students on a regular basis, providing that services are customized to meet their needs. Through conversations, project-based learning, and student-led presentations, they develop creative classroom environments where students actively participate. All members adhere to classroom rules to preserve a positive learning environment and show thoughtfulness by avoiding conflicts that could interfere with peers' educational experiences, even if they promote creative

interaction. Their curriculum deliberately blends supportive activities, combining digital tools with conventional methods, individual work with group cooperation, and theoretical knowledge with real-world applications. By encouraging both academic mastery and critical life skills, this co-creation strategy turns students from passive recipients into empowered people in their educational journey.

3.3 Reliability Analysis

Reliability in research refers to the extent to which the findings of a particular study may be reproduced or duplicated under same circumstances. Reliability measures the degree of internal consistency and dependability with which a test assesses a specific attribute. There are a number of differently used reliability coefficients. One of the most used is Cronbach’s Alpha which can be interpreted as a correlation coefficient; it ranges a value from 0 to 1. Hinton et al. (2014) reported that the dependability of Cronbach's alpha at the value level, as indicated in Table (3.1).

Table (3.1) Internal Consistency Description based on Cronbach’s Alpha Test

Cronbach’s Alpha	Internal Consistency
$\alpha \geq 0.9$	Excellent
$0.7 \leq \alpha < 0.9$	Good
$0.5 \leq \alpha < 0.7$	Acceptable
$\alpha < 0.5$	Unacceptable

Source: Hinton et al. (2004)

Hinton et al. (2004) stated that a Cronbach’s alpha value within the range of 0.5–0.7 is considered moderate and still acceptable. The Cronbach's Alpha reliability test result is displayed in Table (3.2).

Table (3.2) Reliability Test

Sr. No.	Variables	Cronbach's Alpha	Number of items
1	Assurance	0.873	5
2	Empathy	0.913	5
3	Reliability	0.874	5
4	Physical Facility	0.849	5
5	Learning Environment	0.877	5
6	Communication Material	0.826	5
7	Service Quality	0.834	5
8	Co-delivery Value	0.844	5
9	Co-creation Value	0.826	5
10	Customer Satisfaction	0.932	10
11	Trust	0.51	10
12	Retention	0.846	7

Source: Survey Data (2025)

Table (3.2) shows the reliability of each variable in the study using Cronbach's Alpha. This test checks how well the items in each group measure the same idea. Most of the variables in the table have values above 0.8, which means they are very reliable. Customer satisfaction and empathy has the highest reliability of 0.932 and 0.913, showing that the questions under this topic are very consistent. Other variables such as assurance, reliability, physical facility, learning environment, communication material, service quality, co-delivery value, co-creation value and retention are above 0.8 and which show the questions are good in reliability test. Only the Trust variable has a low value of 0.510. But the value between 0.5 and 0.7 are in the acceptable level. Therefore, the questions in this study are reliable.

3.4 Profile of the Respondents

To gather primary data, 136 customers of Pyae Shan Private High School are selected and surveyed by simple random sampling method. Demographic profile is important in research because it provides valuable information about the characteristics of customer, such as age group of the student, gender of student, current grade of student,

educational level of parents, occupation of parents, monthly family income level, number of children enrolled, length of enrollment in the school, residence and ethnicity. Table (3.3) presents the demographic data of the respondents who answered the survey forms via online.

Table (3.3) Demographic Data of the Respondents

Sr. No.	Item	Category	No. of Respondents	Percent
		Total	136	100.0
1	Age Group of Student	≤12 years	6	4.4
		13-15 years	37	27.2
		16-19 years	67	49.3
		≥ 19 years	26	19.1
2	Gender of Student	Male	72	52.9
		Female	64	47.1
3	Current Grade of Students	Middle School	45	33.1
		High School	91	66.9
4	Educational Level of Parents	Read & Write	2	1.5
		Primary School	3	2.2
		Middle School	14	10.3
		High School	35	25.7
		Graduate	68	50
		Post-graduate	14	10.3
5	Occupation of Parents	Government Employee	20	14.7
		Private Sector Employee	23	16.9
		Business Owner/Self-employed	79	58.1
		Unemployed/Homemaker	14	10.3

Sr. No.	Item	Category	No. of Respondents	Percent
		Total		136
6	Family Income Level	Below 500,000 MMK	24	17.6
		500,000–1,000,000 MMK	52	38.2
		1,000,000–2,000,000 MMK	34	25
		Above 2,000,000 MMK	26	19.1
7	No. of Children Enrolled	1 child	117	86
		2 children	8	5.9
		3 or more children	11	8.1
8	Length of Enrollement in School	less than 1 year	45	33.1
		1 - 3 years	77	56.6
		more than 3 years	14	10.3
9	Residence	Hlaing Township (same location)	70	51.5
		Nearby Townships (e.g., Kamaryut, Mayangone, Sanchaung)	30	22
		Distant Townships (e.g., South Dagon, North Okkalapa)	36	26.5
10	Ethnicity	Bamar	106	77.9
		Kachin/ Kayar/ Karen/ Chin/ Mon/ Rakhine/ Shan	22	16.2
		Chinese/Indian	8	5.9

Source: Survey Data (2025)

Table (3.3) presents demographic information about the respondents questioned at Pyae Shan Private High School. There were 136 responders in all, which indicates a 100% response rate. A thorough profile of the responders based on the information gathered is provided below.

Regarding the student age category, the majority of students (49.3%) were between the ages of 16 and 19, with those between the ages of 13 and 15 coming in second (27.2%). Just 4.4% of the respondents were in the youngest group (less than and equal to 12 years), whereas a lesser percentage (19.1%) were in the more than and equal to 19 years group. With 52.9% of the respondents being male students and 47.1% being female students, the gender distribution of the student body was rather evenly distributed. Also the majority of

students in the current grade were in high school (66.9%), with the remainder being in middle school (33.1%).

For the education level of parents, half of the parents (50%) held graduate degrees, followed by those with high school education (25.7%). A smaller percentage had middle school education and post-graduate each with (10.3%), while very few were illiterate (0%) or had only primary school education (2.2%). In terms of the parents' occupation, the majority of them were self-employed or business owners (58.1%), followed by those in the private sector (16.9%) and the government (14.7%). 10.3% of them were unemployed or homemaker. The most prevalent monthly family income level was between 500,000 - 1,000,000 MMK (38.2%), followed by between 1,000,000 - 2,000,000 MMK (25%). Families with incomes below 500,000 MMK or above 2,000,000 MMK accounted for 17.6% and 19.1%, respectively.

For the number of children enrolled, the vast majority of families (86%) had only one child enrolled in the school, while 5.9% had two children, and 8.1% had three or more children. Regarding the length of enrollment in this school, most students (56.6%) had been enrolled for 1-3 years, followed by those with less than one year of enrollment (33.1%). A smaller proportion (10.3%) had been enrolled for more than three years.

For the residence, over half of the respondents (51.5%) lived in Hlaing Township, which is where the school is located. The remaining 22% and 26.5% of respondents, respectively, lived in nearby townships and distant townships. For ethnicity, the majority of the respondents identified as Bamar (77.9%), followed by Kachin/ Kayar/ Karen/ Chin/ Mon/ Rakhine/ Shan (16.2%) and Chinese/Indian (5.9%). No respondents identified as belonging to other ethnic groups.

In summary, the typical respondent at Pyae Shan Private High School is a high school student aged 16–19, with a slight majority being male. Their parents are likely highly educated (graduate or postgraduate) and self-employed, with a moderate family income (500,000–2,000,000 MMK). Most families have only one child enrolled, and students tend to reside within or near Hlaing Township. The student body is predominantly Bamar, with a small but diverse representation from other ethnic groups.

CHAPTER 4

ANALYSIS ON THE EFFECT OF SERVICE ENCOUNTER APPROACH ON CUSTOMER SATISFACTION AND RETENTION TOWARDS PYAE SHAN PRIVATE HIGH SCHOOL

This chapter describes the profile of the respondents. In addition, it presents descriptive result of the effect of service encounter approach on customer satisfaction in terms of mean values. Then, it provides analysis of influencing factors on customer satisfaction. Moreover, it describes the effect of customer satisfaction on retention. Finally, it includes the moderating effect of trust on the relationship between customer satisfaction and retention is presented.

4.1 Customer Perception on Service Encounter Approach, Customer Satisfaction and Retention

This section presents the service encounter approach, customer satisfaction and retention in Pyae Shan Private High School. For primary data, structured questionnaire with 5-point Likert scale (1: strongly disagree, 2: disagree, 3: neutral, 4: agree, 5: strongly agree) is used to collect the primary data. Descriptive statistics is used in this study. According to Best (1977), the mean value of five-point Likert scale items is read as follows:

The score among 1.00 – 1.80 means strongly disagree.

The score among 1.81 – 2.60 means disagree.

The score among 2.61 – 3.40 means neutral.

The score among 3.41 – 4.20 means agree.

The score among 4.21 – 5.00 means strongly agree.

4.1.1 Service Encounter Approach

This section provides the descriptive analysis of service encounter approach that can affect customer satisfaction. These service encounter approach include service personnel, service facility and service value.

(i) Service Personnel

This section includes perception of customers towards the service personnel in Pyae Shan Private High School. Features of service personnel includes assurance, empathy and reliability.

(a) Assurance

This section presents customer perception towards assurance of service personnel in Pyae Shan Private School by asking five statements. Table (4.1) represents the customer perception on the assurance of service personnel in Pyae Shan Private School.

Table (4.1) Assurance

Sr. No.	Description	Mean	Std. Dev.
1	The friendliness and courtesy of the school staff	4.15	0.510
2	The friendliness and courtesy of the teachers	4.15	0.565
3	The strong academic credentials of teachers	4.21	0.536
4	The commitment to satisfaction of students' needs	4.13	0.589
5	The effective security measures	4.18	0.490
	Overall Mean	4.16	

Source: Survey Data (2025)

Table (4.1) shows mean values of statements regarding assurance. The mean values of most statements range from 3.41 to 4.20. It can be generally concluded that the assurance-related aspects of these four statements are agreed by respondents. The friendliness and courtesy of both the school staff and teachers contribute to a supportive and respectful environment. Additionally, the school's commitment to meeting students' needs reflects a student-focused approach, while the presence of effective security measures ensures a safe and secure learning environment.

The mean value of teachers' strong academic credentials is from 4.21 to 5.00 which indicates the respondents strongly agree with this and this can further enhance confidence in the quality of education provided.

(b) Empathy

This section presents customer perception towards empathy of service personnel in Pyae Shan Private School by asking five statements. Table (4.2) represents the customer perception on the empathy of service personnel in Pyae Shan Private School.

Table (4.2) Empathy

Sr. No.	Description	Mean	Std. Dev.
1	Students' interest of administration	4.12	0.531
2	Convenience of study room access for students	4.13	0.478
3	The sympathy and support of teachers for students' needs	4.13	0.523
4	The fairness and impartiality of school in treatment of individual students	4.17	0.464
5	The willingness of staff to give students attention	4.10	0.491
	Overall Mean	4.13	

Source: Survey Data (2025)

Table (4.2) shows mean values of statements regarding empathy. The mean values of statements range from 3.41 to 4.20. It can be generally concluded that the empathy-related aspects of the school are agreed by respondents. The fairness and impartiality of the school in treating individual students received the highest mean score of 4.17, indicating positive perception of fair treatment. The convenience of study room access and the sympathy and support of teachers for students' needs both received a mean score of 4.13, showing agreement that the school supports students' learning and emotional needs. The students' interest of administration and the willingness of staff to give students attention received mean scores of 4.12 and 4.10 respectively, indicating that students feel supported and noticed by the school administration and staff. Overall, the average mean score is 4.13, which reflects that the school is generally perceived as empathetic by respondents.

(c) Reliability

This section presents customer perception towards reliability of service personnel in Pyae Shan Private School by asking five statements. Table (4.3) represents the customer perception on the empathy of service personnel in Pyae Shan Private School.

Table (4.3) Reliability

Sr. No.	Description	Mean	Std. Dev.
1	The accuracy of school's record-keeping	4.10	0.491
2	The sincere interest of staff in solving student's problems	4.18	0.470
3	The reliability of teachers	4.05	0.575
4	Providing its services at a time it promises to do so	4.18	0.533
5	The interest of teachers in solving student's problems	4.08	0.503
	Overall Mean	4.12	

Source: Survey Data (2025)

Table (4.3) shows mean values of statements regarding with reliability. The mean values of statements are from 3.41 to 4.20. It can be generally concluded that the reliability-related aspects of the school are agreed by respondents. The sincere interest of staff in solving students' problems and providing services at the promised time both receive the highest mean scores of 4.18, indicating that the school is seen as dependable and committed to supporting students. The interest of teachers in solving students' problems receives a mean score of 4.08, while the accuracy of the school's record-keeping is rated at 4.10. The reliability of teachers, with a mean score of 4.05, is the lowest among the five items, but it still falls within the "agree" range. The overall mean score is 4.12, showing that respondents generally have a positive view of the school's reliability.

(ii) Service Facility

This section provides perception of customers towards the service facility in Pyae Shan Private High School. Service facility includes physical facility, learning environment and communication material.

(a) Physical Facility

This section presents customer perception towards the physical facility in Pyae Shan Private School by asking five statements. Table (4.4) represents the customer perception on the physical facility in Pyae Shan Private School.

Table (4.4) Physical Facility

Sr. No.	Description	Mean	Std. Dev.
1	The adequacy and comfort of school's ventilation	4.1	0.529
2	Lighting in the classroom	4.18	0.529
3	Sufficient furniture for learning	4.18	0.533
4	The adequacy of library's resources	4.21	0.522
5	The efficiency of water supplies, cleanliness, and sanitation in restrooms	4.13	0.508
	Overall Mean	4.16	

Source: Survey Data (2025)

Table (4.4) shows mean values of statements regarding with reliability. The mean values of most statements are from 3.41 to 4.20. It can be generally concluded that the physical facility-related aspects of the school are agreed by respondents. Classroom lighting and the availability of sufficient furniture for learning are also viewed favorably, indicating that the learning environment is comfortable and conducive to study. Respondents also agree that the school maintains good standards of cleanliness and sanitation in restrooms, and that ventilation within the school is adequate and comfortable.

The mean value for library resources is 4.21-5.00 which indicate that the adequacy of library's resources is strongly agreed by respondents. Overall, respondents express a positive perception of the school's physical facilities.

(b) Learning Environment

This section presents customer perception towards the learning environment of Pyae Shan Private School by asking five statements. Table (4.5) represents the customer perception on the learning environment of Pyae Shan Private School.

Table (4.5) Learning Environment

Sr. No.	Description	Mean	Std. Dev.
1	The achievement of learning objectives set by student	4.14	0.489
2	The opportunities for students to give feedback on lectures	4.15	0.469
3	The use of various teaching methods (e.g., PBL/Group Work)	4.01	0.421
4	The opportunities to participate in school activities	4.16	0.459
5	The sufficient feedback received on assessments	4.21	0.457
	Overall Mean	4.14	

Source: Survey Data (2025)

Table (4.5) shows mean values of statements regarding with learning environment. The mean values of four statements are from 3.41 to 4.20. It can be generally concluded that the learning environment-related aspects of the school are agreed by respondents. Students feel they are able to achieve their learning objectives and are given opportunities to provide feedback on lectures. Opportunities to participate in school activities are also viewed positively, indicating that students are encouraged to engage beyond the classroom. While the use of various teaching methods such as project-based learning and group work is seen as slightly less favorable compared to other aspects, it is still generally accepted.

The mean value of sufficient feedback received on assessments is from 4.21 to 5.00 which can be concluded that the respondents strongly agree with this item. Overall, respondents express a positive view of the learning environment at the school.

(c) Communication Material

This section presents customer perception towards the communication material of Pyae Shan Private School by asking five statements. Table (4.6) represents the customer perception on the communication material of Pyae Shan Private School.

Table (4.6) Communication Material

Sr. No.	Description	Mean	Std. Dev.
1	The distribution of exam schedules with SMS or Viber group	4.20	0.542
2	The delivery of announcements with SMS or Viber group	4.23	0.516
3	The accessibility of the school news by mobile phone	4.21	0.532
4	The use of various technologic devices by academic staff in lectures	4.24	0.534
5	The use of power point presentations by academic staff to give lectures	4.19	0.565
	Overall Mean	4.21	

Source: Survey Data (2025)

According to the Table (4.6), the mean scores of the three items are from 4.21 to 5.00. It can be concluded that the respondents strongly agree with these items. The delivery of announcement with SMS or viber group and accessibility of school news via mobile phones also receives a strong level of agreement, showing that students can easily stay informed. Moreover, the use of various technological devices by academic staff is also strongly agreed by respondents, indicating that such tools effectively enhance the learning experience.

The mean scores of the statements regarding the rest two items of communication materials is ranged from 3.41 to 4.20. It can be generally concluded that respondents agree that exam schedules and announcements are effectively distributed through SMS or Viber groups and the use of power point presentations by academic staff. Overall, the responses reflect a very positive perception of the school's use of communication materials and digital tools.

(iii) Service Value

This section provides perception of customers towards the service value in Pyae Shan Private High School. Service value includes service quality, co-delivery value and co-creation value.

(a) Service Quality

This section presents customer perception towards the service quality in Pyae Shan Private School by asking five statements. Table (4.7) represents the customer perception on the service quality in Pyae Shan Private School.

Table (4.7) Service Quality

Sr. No.	Description	Mean	Std. Dev.
1	The delivery of service	4.13	0.537
2	The timeliness of service delivery	4.24	0.490
3	Providing service quality, it promotes	4.10	0.453
4	The fairness in grading and academic assessments	4.14	0.442
5	The convenience of school's location	4.14	0.407
	Overall Mean	4.15	

Source: Survey Data (2025)

According to the Table (4.7), the mean scores of the statements regarding the service quality is ranged from 3.41 to 4.20. It can be generally concluded that the service quality aspects of the school are agreed by respondents. Respondents also agree that the delivery of services and the quality provided by the school meet expectations. The fairness in grading and academic assessments, along with the convenience of the school's location, are viewed positively, showing that students feel they are treated fairly and that the school is easily accessible.

The mean value of timeliness of service delivery is from 4.21 to 5.00. It can be concluded that the timeliness of service delivery receives strong level of agreement. Overall, the responses reflect a favorable view of the school's service quality.

(b) Co-delivery Value

This section presents customer perception towards the co-delivery value in Pyae Shan Private School by asking five statements. Table (4.8) represents the customer perception on the co-delivery value in Pyae Shan Private School.

Table (4.8) Co-delivery Value

Sr. No.	Description	Mean	Std. Dev.
1	Providing the services according to what customer expect	4.04	0.362
2	The fulfillment of school values by the service provider	4.04	0.411
3	Encouragement of student involvement in learning processes	4.07	0.327
4	Support for parental involvement in students' academic progress	4.18	0.475
5	The organization of interactive workshops that allow parents and students contribution to the education process	3.95	0.476
	Overall Mean	4.06	

Source: Survey Data (2025)

According to the Table (4.8), the mean scores of the statements regarding the co-delivery is ranged from 3.41 to 4.20. It can be generally concluded that the co-delivery aspects of the school are agreed by respondents. Respondents agree that services are provided in line with customer expectations and that the school fulfills its stated values. The school encourages student involvement in the learning process, which is viewed positively. There is also support for parental involvement in students' academic progress, which reflects the school's collaborative approach to education. Although slightly lower in agreement, the organization of interactive workshops involving parents and students is still seen as a positive aspect. Overall, the responses show that the school effectively promotes shared responsibility and active participation among students, parents, and the institution.

(c) Co-creation Value

This section presents customer perception towards the co-creation value in Pyae Shan Private School by asking five statements. Table (4.9) represents the customer perception on the co-creation value in Pyae Shan Private School.

Table (4.9) Co-creation Value

Sr. No.	Description	Mean	Std. Dev.
1	The interaction with the students to serve them better	4.10	0.328
2	The participation of students during the lessons	4.04	0.411
3	The compliance of student with the general guidelines of the teachers	4.02	0.447
4	The avoidance of conflicts that disrupt other students' enjoyment of classes	4.24	0.443
5	The integration of complementary learning activities by the student during the course	3.96	0.485
	Overall Mean	4.07	

Source: Survey Data (2025)

The mean values of co-creation value are shown in Table (4.9). Mean values of four statements are from 3.41 to 4.20. It can be generally concluded that the co-creation aspects of the school are agreed by respondents. Respondents agree that there is effective interaction with students to better serve their needs, and that students actively participate during lessons. They also agree that students generally follow the teachers' guidelines and contribute positively to the learning environment. While slightly lower in agreement, the integration of complementary learning activities by students during the course is still viewed positively.

The mean value of the avoidance of conflicts that may disrupt other students' learning is from 4.21 to 5.00. This indicate that the respondents strongly agree with this. Overall, the responses indicate that students play an active and cooperative role in creating a productive and respectful learning experience.

4.1.2 Customer Satisfaction

This section presents the customer satisfaction of Pyae Shan Private High School by asking ten statements. Table (4.10) represents customer satisfaction of Pyae Shan Private High School.

Table (4.10) Customer Satisfaction

Sr No.	Description	Mean	Std. Dev.
1	Satisfaction with the decision to attend the school	4.13	0.436
2	Satisfaction with the course	4.04	0.362
3	Satisfaction with the teaching methods provided	3.99	0.31
4	Satisfaction with the learning experience	4.32	3.444
5	The suitability of school as a good place to study	4.04	0.341
6	Satisfaction with the helpfulness of staff	3.93	0.505
7	Satisfaction with communication and responsiveness to parental concerns	3.95	0.507
8	Satisfaction with the range of facilities	3.91	0.447
9	Fulfillment of customer requirements	4.1	0.342
10	Fulfillment of customer expectations	4.1	0.328
	Overall Mean	4.05	

Source: Survey Data (2025)

As shown in Table (4.10), mean values of nine statements regarding the customer satisfaction are ranged from 3.41 to 4.20. It can be generally concluded that the satisfaction-related aspects of the school are agreed by respondents. Respondents agree that they are satisfied with their decision to attend the school and feel positive about the course, teaching methods and overall learning experience. They consider the school a suitable place to study and are satisfied with the fulfillment of customer requirements and expectations. Although staff's helpfulness, communication and responsiveness and range of facilities show lower levels they still fall within the agree level.

The mean value for satisfaction with learning experience is between 4.21 to 5.00. It can be concluded that respondents strongly agree with learning experience get from the school.

4.1.3 Trust

This section shows the trust of respondents in Pyae Shan Private School by asking ten statements. Table (4.11) represents the trust of customers in Pyae Shan Private High School.

Table (4.11) Trust

Sr No.	Description	Mean	Std. Dev.
1	The school's fulfillment of its promises	4.13	0.436
2	The school's effectiveness in problem-solving	4.04	0.362
3	Trustworthiness of the school's academic programs	3.99	0.31
4	The sufficiency of school's knowledge on current trends	4.32	3.444
5	The enhancement of customer's expectation	4.04	0.341
6	Overall trust in the school	3.93	0.505
7	The trust in school's suggestions on which faculty is best for student's future	3.95	0.507
8	Honesty and transparency of the school in all activities	3.91	0.447
9	Development of strong relationships with students and parents	4.1	0.342
10	The confidence in the school's long-term commitment to quality education	4.1	0.328
	Overall Mean	4.05	

Source: Survey Data (2025)

As shown in Table (4.11), mean values of nine statements are from 3.41 to 4.20. It can be generally concluded that trust-related aspects of the school are agreed and, in some cases. Respondents generally agree that the school fulfills its promises and effectively solves problems when issues arise. The school's academic programs are viewed as trustworthy. Most other areas, such as the school's ability to meet expectations, its overall trustworthiness, and its suggestions on faculty selection, also receive agreement from respondents. While a few statements receive slightly lower agreement such as trust in the school overall and perceptions of transparency they still fall within the agreed level. Additionally, aspects like building strong relationships with students and parents and long-term commitment to quality education are positively recognized and align with agreement responses.

The mean value of school's knowledge on current trend is from 4.21 to 5.00. It can be concluded that sufficient knowledge of current educational trends is strongly agreed by respondents.

4.1.4 Retention

This section shows the retention of Pyae Shan Private High School by asking seven statements. Table (4.12) represents retention of Pyae Shan Private High School.

Table (4.12) Retention

Sr. No.	Description	Mean	Std. Dev.
1	The intention to continue at this school	4.01	0.537
2	The belief that student will finish matriculation examination at this school	4.07	0.505
3	The right choice in selecting this school	3.99	0.43
4	The willingness to advocate for and recommend the school to others	4.01	0.421
5	Saying positive things about the school to others	4.19	0.464
6	Recommending the school to someone seeking advice	3.96	0.508
7	Encouragement of friends and relatives to study at this school	4.13	0.393
	Overall Mean	4.05	

Source: Survey Data (2025)

As shown in Table (4.12), mean values of seven statements regarding retention in are from 3.41 to 4.20. It can be generally concluded that the retention-related aspects of the school are agreed by respondent. Respondent express agreement with their intention to continue at the school and believe they will successfully complete their matriculation examinations there. Respondents also feel that selecting the school was the right choice and are willing to advocate for and recommend it to others. Saying positive things about the school and encouraging friends and relatives to study there are also commonly agreed upon. Although slightly lower, recommending the school to someone seeking advice still falls within the agree level. Overall, the responses reflect a favorable perception of the school's ability to retain students and inspire ongoing support from its community.

4.2 Analysis on the Effect of Service Personnel on Customer Satisfaction in Pyae Shan Private High School

This section represents the effect of service personnel on customer satisfaction based on survey data collected form 136 customers of Pyae Shan Private High School. Table (4.13) presents regression result.

Table (4.13) Effect of Service Personnel on Customer Satisfaction

Model	Unstandardized Coefficients		Standardized Coefficient (Beta)	T	Sig
	B	Std.			
(Constant)	1.749	0.202		8.658	0
Assurance	0.042	0.111	0.058	0.379	0.705
Empathy	0.261**	0.119	0.351	2.185	0.031
Reliability	0.252***	0.086	0.332	2.937	0.004
R				0.705	
R Square				0.497	
Adjusted R Square				0.486	
F value				43.554***	

Source: Survey Data (2025)

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

Table (4.13) shows the effect of service personnel on customer satisfaction by analyzing three factors: assurance, empathy, and reliability. The R Square value is 0.497 and adjusted R Square is 0.486 which means that 49.7% of the variation in customer satisfaction is explained by assurance, empathy, and reliability. The F value is also statistically significant, showing that the overall model is valid and fits the data well. The regression results show that empathy and reliability have a significant and positive effect on customer satisfaction while assurance do not have significant effect on customer satisfaction.

Empathy has positive and significant effect on customer satisfaction at 5 percent significant level. Regression result indicates that increase in empathy leads to more customer satisfaction. This is because the administration has students' best interests at heart and ensures that access to study rooms is arranged for students' convenience. Moreover, the teachers are sympathetic and supportive of students' needs, and the school treats all students fairly and without bias. In addition, staff are willing to give attention to individual students, showing care and concern. These behaviors make students feel valued, understood, and respected, which enhances their overall satisfaction.

Reliability has positive and significant effect on customer satisfaction at 1 percent significant level. This means that when staff show care and provide reliable support, students feel more satisfied with the service. This is because the school keeps the records accurately and provides its services at a time it promises. Moreover, the teachers and staffs

show sincere interest in problem solving and the teachers are very reliable in keeping time and not cancelling the classes.

4.3 Analysis on the Effect of Service Facility on Customer Satisfaction in Pyae Shan Private School

This section represents the effect of service facility on customer satisfaction based on survey data collected from 136 customers of Pyae Shan Private High School. Table (4.14) presents regression result.

Table (4.14) Effect of Service Facility on Customer Satisfaction

Variables	Unstandardized Coefficient		Standardized Coefficient (Beta)	t	Sig.
	B	Std. Error			
(Constant)	1.998	0.255		7.836	0
Physical Facility	-0.02	0.107	-0.026	-184	0.854
Learning Environment	0.294**	0.118	0.347	2.494	0.014
Communication Material	0.215*	0.113	0.278	1.911	0.058
R	0.576				
R Square	0.332				
Adjusted R Square	0.317				
F value	21.847***				

Source: Survey Data (2025)

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

According to the results shown in Table (4.14), it shows how physical facility, learning environment, and communication material affect customer satisfaction. The results come from a regression analysis. The R Square and adjusted R Square are 0.332 and 0.317, which means about 33.2% of the change in customer satisfaction is explained by the learning environment, communication material, and physical facility. The F value is also significant, so the model is valid. The regression results reveal that learning environment and communication material have a positive effect on customer satisfaction, while physical facility does not have a significant effect.

The learning environment has a positive and significant effect on customer satisfaction at 5 percent significant level. This indicates that an increase in the quality of the learning environment leads to higher customer satisfaction. This is because students can

reach their learning goals, which builds confidence. The school allows students to give feedback on lessons and encourages them to join school activities. Teachers use different teaching methods that make learning more fun and effective. Also, students receive clear and helpful feedback on their tests, which helps them improve.

Communication material has positive and significant effect on customer satisfaction at 10 percent significant level. The findings indicate that communication material also positively contributes to customer satisfaction. This is because the school sends exam schedules and announcements through SMS and viber groups, keeping students informed. Students can follow school news using their phones. Teachers use technology and PowerPoint in class, making lessons clearer. These help students stay updated and feel more connected to the school.

4.4 Analysis on the Effect of Service Value on Customer Satisfaction in Pyae Shan Private School

This section represents the effect of service value on customer satisfaction based on survey data collected from 136 customers of Pyae Shan Private High School. Table (4.15) presents regression result.

Table (4.15) Effect of Service Value on Customer Satisfaction

Variables	Unstandardized Coefficient		Standardized Coefficient (Beta)	T	Sig.
	B	Std. Error			
(Constant)	0.912	0.195		4.686	0.000
Service Quality	0.194**	0.087	0.221	2.225	0.028
Co-delivery Value	1.553***	0.208	1.584	7.461	0.000
Co-creation Value	0.977***	0.212	1.002	4.601	0.000
R	0.832				
R Square	0.692				
Adjusted R Square	0.685				
F value	98.728***				

Source: Survey Data (2025)

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

Table (4.15) presents the regression results examining the effect of service value components on customer satisfaction. The analysis includes three independent variables: service quality, co-delivery value, and co-creation value. The model has R Square of 0.692 and adjusted R Square of 0.685 meaning that around 69.2% of the variation in customer satisfaction can be explained by the three service value variables. The F value is significant, confirming the model's overall fit and statistical validity. The findings indicate that all three variables have a statistically significant and positive influence on customer satisfaction.

Service quality has positive and significant effect on customer satisfaction at 5 percent significant level. This is because the school provides reliable and fair services. It keeps its promises, offers services on time, and treats students fairly in grading. The school's location is also convenient. These basic qualities help students and parents trust the school, which increases satisfaction, even though the effect is not as strong as the other two.

Co-delivery value has positive and significant effect on customer satisfaction at 1 percent significant level. This is because the school works closely with both students and parents to deliver education. It meets expectations, stays true to its promises, and involves students in learning. The school also encourages parents to join in their child's academic progress and organizes activities like workshops. This teamwork makes students and parents feel important and involved, leading to very high satisfaction.

Co-creation value has positive and significant effect on customer satisfaction at 1 percent significant level. This is because students help shape their learning experience. They are allowed to give feedback, take part in lessons, and follow school rules. They also join in group activities that support learning. This makes students feel responsible and included. As a result, they enjoy learning more and feel more satisfied.

4.5 Analysis on the Effect of Customer Satisfaction on Retention

This section presents the effect of customer satisfaction on retention based on survey data collected from 136 customers of Pyae Shan Private High School. Table (4.16) represents regression result.

Table (4.16) Effect of Customer Satisfaction on Retention

Variables	Unstandardized Coefficient		Standardized Coefficient (Beta)	T	Sig.
	B	Std. Error			
(Constant)	0.188	0.158		1.191	0.236
Customer Satisfaction	0.957***	0.039	0.904	24.549	0.000
R	0.904				
R Square	0.818				
Adjusted R Square	0.817				
F value	602.676***				

Source: urvey Data (2025)

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

Table (4.16) presents the regression analysis that examines the effect of customer satisfaction on retention. The model has R Square value and adjusted R Square of 0.818 and 0.817, which means that about 81.8% of the change in student retention can be explained by customer satisfaction. The F value is large and significant, confirming that the model is statistically valid.

Customer satisfaction has a strong and significant positive influence on retention at 1 percent level. This means that when students are satisfied with the services provided by the school such as empathy, reliability, a positive and interactive learning environment, clear and timely communication, and opportunities to take part in co-delivery and co-creation. They are more likely to continue their studies at the same school. Satisfied students feel valued, supported, and involved, which builds trust and loyalty. As a result, they are more willing to stay enrolled and recommend the school to others, showing a direct link between satisfaction and student retention.

4.6 Analysis of Moderating Effect of Trust on the Relationship between Customer Satisfaction and Retention

This section shows the moderating effect of trust between customer satisfaction and retention based on survey data collected form 136 customers of Pyae Shan Private High School. Table (4.17) represents the regression result.

Table (4.17) Moderating Effect of Trust on the Relationship between Customer Satisfaction and Retention

Variables	Model 1				Model 2			
	Unstandardized Coefficient		Standardized Coefficient (Beta)	Sig	Unstandardized Coefficient		Standardized Coefficient (Beta)	Sig
	B	Std Error			B	Std Error		
(Constant)	3.835	0.141		0.000	3.472	0.227		
CS	0.287***	0.017	0.850	0.000	0.427***	0.071	1.265	0.000
T	0.053*	0.035	0.079	0.100	0.146**	0.057	0.215	0.012
CS * T					0.038**	0.019	0.525	0.044
R	0.906				0.909			
R Square	0.821				0.827			
Adjusted R Square	0.819				0.823			
F Value	305.587***				209.882***			

Source: Survey Data (2025)

Note: *** Significant at 1% level, ** Significant at 5% level, * Significant at 10% level

As shown in regression model 2, there is partial and positive moderating effect of trust on the relationship between customer satisfaction and retention. Trust alone has a direct positive relationship with customer retention. When trust play as a moderating factor, it strengthens the positive relationship between customer satisfaction and retention. Therefore, the findings show that trust serves a dual role in retention: trust has a strong, independent positive effect on customer retention and it also amplifies the relationship between customer satisfaction and retention.

CHAPTER 5

CONCLUSION

This chapter has three sections. The first section describes the findings and discussions. The second section presents the suggestions and recommendations to improve customer satisfaction and retention. Finally, it presents the need to further research.

5.1 Findings and Discussions

The main objectives of this study are to analyze the effect of service encounter approach on customer satisfaction in Pyae Shan Private High School, to examine the effect of customer satisfaction on retention in Pyae Shan Private School, and to analyze the moderating effect of trust on the relationship between customer satisfaction and retention in Pyae Shan Private School.

The demographic profile of students at Pyae Shan Private High School reveals important variables that could affect how service encounters affect retention and satisfaction. Since the parents are self-employed and highly educated, they probably place a high emphasis on individual care and high-quality education, expect the school to share their values. The moderate family income indicates that cost-effectiveness and obvious value for money are important factors in the delivery of services. Since the majority of families only have one enrolled child, and the experience of each student has a direct effect on overall satisfaction. Hlaing Township's student population indicates that convenience is a strength but if service quality deteriorates, retention may be threatened by competitive schools nearby.

Based on the perception of customers on assurance, they generally agree on assurance of service personnel at Pyae Shan Private High School. The results show that parents and students respect the teachers' academic credentials and accept the school's efforts to provide a safe environment. The courteous behavior of both teachers and school personnel added to a sense of professionalism and trust. Another vital aspect of service delivery was the school's commitment to reacting to the needs of the students. In general, assurance-related actions and qualities contribute to the school's increased trust and

confidence, both of which are critical for raising customer satisfaction and stimulating retention.

Based on the perception of customers on empathy, the responses show generally agree with the school's idea of empathy. Students believe that the administration genuinely cares about their interests, and they view teachers as fair and empathetic when it comes to meeting the requirements of each individual student. The staff's willingness to listen and pay attention to pupils strengthens the idea of emotional support in the school setting. By helping students feel appreciated and understood, these acts of kindness greatly enhance positive experiences with service, which in turn promotes student satisfaction and strengthens the relationship between the school and its customers.

Based on the perception of respondents on reliability, the findings reveal that respondents generally agree with the reliability-related aspects of the school, indicating a positive perception of its consistency and dependability. Staff are perceived as genuinely interested in addressing students' problems, and the school is viewed as fulfilling its commitments by delivering services on time. These aspects contribute to a trustworthy environment where students feel supported and cared for. The accuracy of the school's record-keeping and the teachers' interest in solving students' issues also contribute to the overall sense of organizational reliability. Although the reliability of teachers received the lowest agreement among the listed items, it remains within the positive range, reflecting overall confidence in the school's commitment to dependable service delivery.

For physical facility, the finding reveals the agreement of the school's physical facilities among respondents. All evaluated aspects including ventilation comfort, classroom lighting, learning furniture sufficiency, library resource adequacy, and restroom water supply, cleanliness, and sanitation received high levels of agreement. Classroom lighting and furniture availability were viewed very favorably, indicating a well-equipped and comfortable learning environment. Respondents also affirmed the adequacy of school ventilation and recognized good standards for restroom facilities. The adequacy of library resources received the most exceptionally positive perception from respondents, reflecting strong satisfaction in this area. The low variation in responses across all items indicates a strong consensus regarding this overall positive assessment. These results demonstrate that respondents perceive the school's physical infrastructure as effectively supporting the educational experience.

Based on the perceptions of respondents on learning environment, the result reflects that respondents express agreement across all evaluated aspects. Students confirm they achieve their learning objectives and feel empowered to provide feedback on lectures. Participation in school activities is viewed favorably, indicating robust engagement beyond the classroom. While the variety of teaching methods receives slightly less emphasis relative to other areas, it remains positively regarded. The provision of sufficient assessment feedback emerges as the most strongly endorsed aspect, demonstrating high respondent satisfaction with this critical component. Low standard deviations across all items reveal a strong consensus regarding this favorable assessment. Overall, the results demonstrate that respondents perceive the learning environment as effectively structured to support academic growth and student voice.

Communication material dimension is one of the main areas of service quality. The results demonstrate exceptionally strong agreement regarding the effectiveness of the school's digital communication practices and technological integration. Respondents consistently endorsed all evaluated methods, with particular emphasis on academic staff's use of diverse technological devices during lectures and the efficient delivery of announcements through SMS or Viber groups. Accessibility of school news via mobile phones also received notably high approval, reflecting successful information dissemination. The distribution of exam schedules through digital channels and the use of power point presentations in teaching were similarly affirmed as effective practices. The minimal variation in responses across all items indicates clear consensus among respondents. These findings collectively confirm that digital tools and communication materials are perceived as highly accessible, reliable, and effectively implemented throughout the school.

The service quality dimension reflects a generally strong performance by the school. The data indicate agreement regarding the school's service quality, with respondents affirming all evaluated dimensions. Service delivery meets expectations, reflecting effective operational standards. Fairness in academic assessments and the convenience of the school's location are viewed positively, demonstrating perceived equity in evaluation practices and accessibility. Notably, the timeliness of service delivery emerges as the most strongly endorsed aspect, highlighting exceptional responsiveness. Minimal response variation across all items confirms broad consensus among respondents.

These results collectively reflect a favorable perception of the school's commitment to efficient, equitable, and accessible service provision.

Based on the perceptions of respondents on co-delivery value, the results demonstrate agree regarding the co-delivery practices, reflecting effective collaboration among students, parents, and the school. Respondents affirm that services consistently align with expectations and uphold the school's stated values. Student involvement in learning processes receives strong endorsement, confirming active engagement in educational activities. Parental participation in academic progress emerges as the most prominently supported aspect, highlighting successful home-school partnerships. While interactive workshops for parent-student contribution register slightly less emphasis relative to other elements, they remain positively viewed. Minimal response variation across all items indicates clear consensus. These outcomes collectively illustrate the school's effectiveness in fostering shared responsibility and participatory educational experiences.

For co-creation value, the result reflects that the respondents agree all evaluated aspects. Productive teacher-student interactions and active student participation during lessons demonstrate responsive educational engagement. Students are recognized as generally compliant with instructional guidelines, reinforcing a structured learning environment. Notably, the avoidance of classroom conflicts emerges as the most strongly endorsed element, highlighting exceptional maintenance of a respectful and focused atmosphere. While student-driven integration of complementary learning activities receives slightly less emphasis, it remains positively viewed. Minimal response variation across all items confirms broad agreement. These outcomes collectively illustrate that students actively contribute to shaping a collaborative, harmonious, and educationally productive environment through shared responsibility.

Based on the perception of respondent on customer satisfaction, respondents agree for all evaluated aspects. High satisfaction with the decision to attend the school and affirmation of its suitability as a learning environment underscore school's credibility. Positive perceptions extend to course quality, teaching methods, and fulfillment of requirements and expectations, confirming alignment between school's offerings and stakeholder needs. The learning experience stands out as the most strongly endorsed element, indicating exceptional educational value. While satisfaction with staff helpfulness, communication responsiveness, and facility range registers comparatively lower, these aspects remain within the agreed range. Minimal response variation for most items

(excepting one notable deviation in learning experience responses) reinforces overall consensus. These results collectively demonstrate that stakeholders perceive the school as effectively meeting core educational objectives while highlighting opportunities for refinement in auxiliary support services.

For the perception of respondent on trust, the school's fulfillment of commitments and effective problem-solving capabilities receive consistent endorsement, reinforcing operational reliability. Academic program trustworthiness and the school's ability to meet expectations are positively recognized, while relationship-building with stakeholders and long-term commitment to educational quality further validate integrity. Notably, the school's knowledge of current educational trends emerges as the most strongly endorsed aspect, reflecting confidence in its adaptability. Though overall trust perceptions and transparency register comparatively lower intensity, they remain within agreed parameters. Minimal response variation across most items (with one notable exception regarding trend knowledge) confirms broad alignment in stakeholder perceptions. These outcomes collectively reflect a foundation of trust in the school's competence, dependability, and forward-looking educational approach.

For retention, the result reveals the school's community shows strong loyalty. Students plan to continue studying there and believe they will complete their education successfully. They feel choosing this school was the right decision and willingly share positive opinions about it. Many would encourage friends or relatives to enroll. While slightly fewer actively recommend it to those seeking advice, this support remains clear. Telling others good things about the school stands out as the strongest form of advocacy. Overall, students trust the school enough to stay and promote it.

Based on the analysis of the effect of service personnel on customer satisfaction, it shows that the assurance, empathy, and reliability components of the model only explain a small percentage of the variation in customer satisfaction, with a low overall significance. The factor that most strongly influences customer satisfaction is assurance, which is associated with the organization's focus on employee competency, safety procedures, and social interactions. Additionally, empathy exhibits a beneficial influence, though a lesser and slightly significant one, reflecting the school's supply of suitable facilities, equitable treatment of students, and supportive environment. On the other hand, reliability has no significant effect in this situation. These findings imply that the school's ability to provide high-quality services mostly depends on increasing assurance and empathy, while the

importance of unreliability may call for more research into its practical application or contextual significance.

Based on the analysis of the effect of service facility on customer satisfaction, the regression analysis reveals that service facility components differentially influence customer satisfaction. The learning environment demonstrates a strong positive effect, indicating that instructional quality and classroom dynamics significantly enhance student satisfaction. Communication materials also contribute positively, with digital tools and information accessibility playing a supportive role. Conversely, physical facilities including infrastructure and amenities show no meaningful effect on satisfaction in this model. The overall model explains approximately one-third of satisfaction variance, confirming contextual relevance. These results indicate that students prioritize educational experiences (learning environment) and information accessibility (communication materials) over tangible infrastructure when evaluating satisfaction. School's efforts to improve satisfaction should therefore emphasize pedagogical quality and communication effectiveness rather than physical infrastructure investments.

Based on the analysis of the effect of service value on customer satisfaction, the analysis establishes service value as a powerful determinant of customer satisfaction, with all three components service quality, co-delivery value, and co-creation value demonstrating significant positive effects. Co-delivery value and co-creation value exert the strongest influence, highlighting that collaborative partnerships fundamentally enhance satisfaction. Service quality also contributes meaningfully, though with comparatively less effect. Together, these three factors explain the majority of observed variation in satisfaction, confirming their collective importance.

For second objective, the customer satisfaction has a strong and positive effect on retention in Pyae Shan Private High School. When parents and students are satisfied with the school's service, they are more likely to continue their enrollment. This means that happy and satisfied customers are likely to stay in the school. The results also show that the relationship is statistically significant and reliable and the model is valid. Therefore, improving customer satisfaction helps to increase student retention. This makes it an important focus for the school's long-term success.

For third objective, the study reveals that trust significantly strengthens the link between customer satisfaction and retention in Pyae Shan Private High School. Trust not

only directly boosts retention but also amplifies the effect of satisfaction on retention when acting as a moderator. Trust alone helps increase retention, means that students and parents are more likely to stay when they trust school. Trust also makes the link between satisfaction and retention stronger, means that when trust is high, the effect of satisfaction on retention becomes even greater. Therefore, trust plays two important roles; it directly increases retention and also boosts the effect of satisfaction on retention. This shows that building trust is important for keeping students at Pyae Shan Private High School.

5.2 Suggestions and Recommendations

For first objective, to strengthen the effect of service encounters on customer satisfaction, Pyae Shan should prioritize enhancing the assurance and empathy dimensions of service delivery. Since assurance had the most significant positive influence, the school should continue investing in staff training to improve teacher qualifications, professionalism, and safety procedures, ensuring that staff consistently inspire confidence among parents and students. Empathy, though less effective, also plays a critical role. The school should reinforce personalized care by promoting teacher-student relationships, offering more tailored academic support, and maintaining open, attentive communication with students and parents. Although reliability did not show a significant effect, the school should not overlook it entirely; rather, it should revisit how reliability is delivered and communicated, perhaps by improving transparency in policies, better managing expectations, and clearly demonstrating follow-through on promises. Lastly, since the physical facility had limited influence on satisfaction, future investments should focus more on improving the learning environment and communication materials, especially by expanding digital tools, enhancing interactive teaching methods, and offering timely and accessible academic updates.

For second objectives of enhancing customer satisfaction to improve retention, the school should maintain and continually improve those aspects of service that directly enhance satisfaction. These include effective teaching methods, the learning environment, responsiveness of school communication, and meaningful involvement of parents and students in academic matters. Since the findings confirm that satisfied students and parents are more likely to remain enrolled, school leadership should implement a structured feedback system to monitor satisfaction trends and swiftly address any concerns.

Enhancing auxiliary services such as staff helpfulness and response time, which showed slightly lower satisfaction scores, could further increase retention rates. Additionally, promoting success stories and positive student experiences may reinforce parental confidence and student pride, contributing to long-term loyalty. Strategic retention efforts should be based on regularly updated satisfaction data to tailor interventions effectively.

For third objective, trust emerged as both predictor of retention and a moderator that strengthens the satisfaction-retention relationship. This reveals that trust-building must be a strategic priority. To build and sustain trust, school leadership should focus on transparent policies regarding grading, discipline and safety, ethical behavior by staff and management, delivering promises and commitments reliably. Regular parent-teacher meetings and school transparency about performance and changes will further solidify trust.

In addressing demographic needs, analysis show most families have one child. Therefore, personalized attention such as individual progress reviews for parents is critical. Since most families are moderate family income, highlighting cost-saving initiatives and flexible payment plans should be considered.

In monitoring competitors, since the school is located in a competitive area, it must maintain a competitive edge. Management should regularly assess the services of nearby schools and innovate based on gaps and trends in the education market. This should include offering niche extracurricular activities, technology-based curriculum options and loyalty incentives such as discounts for siblings or long-term enrollees.

5.3 Needs for Further Research

This study provides valuable insights into the influence of service encounter approaches on customer satisfaction and retention at Pyae Shan Private High School. But there remains a need for further research to build more comprehensive understanding of the topic. Firstly, this study focused only on a single school, limiting the general findings of other private schools in Myanmar. Further research should expand the scope by including multiple schools across other townships to compare service strategies and outcomes. Second, this study includes key variables such as service personnel, service facilities, service value, satisfaction, trust and retention. Other influencing factors such as student academic outcomes, parental involvement over time, school leadership style or external

environmental changes such as economic conditions and policy shifts were not examined in this study. Third, incorporating qualitative research method such as in-depth interviews with parents, students and staff could provide richer insights into the emotional and psychological aspects of trust and satisfaction that quantitative surveys may not fully capture. Finally, exploring role of emerging variables such as role of digital transformation on service encounter could refine the model's predictive power. Addressing these gaps would not only validate the current findings but also provide more complete understanding of service encounter role in educational setting, data-driven strategies for enhancing satisfaction and retention.

REFERENCES

- Aksu, M., Becel, O., & Yıldırım, A. (2011). *Communication technologies and their impact on education*. Istanbul: Academic Press.
- Ali, F., Zhou, Y., Hussain, K., Nair, P. K., & Ragavan, N. A. (2016). Does higher education service quality effect student satisfaction, image and loyalty? *Quality Assurance in Education, 24*(1), 70-94.
- Alkadri, H., Sutisna, M., & Wibowo, A. (2017). The role of school facilities and infrastructure in improving education quality. *Journal of Educational Development, 12*(3), 45–58.
- Annamdevula, S., & Bellamkonda, R. S. (2016). Effect of student perceived service quality on student satisfaction, loyalty and motivation in Indian universities: Development of HiEduQual. *Journal of Modelling in Management, 11*(2), 488- 517.
- Ball, D., Coelho, P. S., & Machás, A. (2004). The role of communication and trust in explaining customer loyalty: An extension to the ECSI model. *European Journal of Marketing, 38*(10), 1272–1293.
- Bryk, A. S., & Schneider, B. (2002). *Trust in schools: A core resource for improvement*. Russell Sage Foundation.
- Bovill, C. (2020). *Co-creation in higher education: Students and educators preparing creatively and collaboratively to the challenge of the future*. Pearson higher Ed.
- Ball, S. J. (2003). *Class strategies and the education market: The middle classes and social advantage*. Routledge.
- Becel, O. (2013). *The evolution of language and communication in the digital age*. Ankara: Educational Research Publications.
- Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing, 56*(2), 57–71.
- Bitner, M. J., Booms, B. H., & Tetreault, M. S. (2000). The service encounter: Diagnosing favorable and unfavorable incidents. *Journal of Marketing, 54*(1), 71-84.

- Bitner, M. J., & Wang, H. S. (2014). Service encounters in service marketing research. *In Handbook of service marketing research*. Edward Elgar Publishing.
- Bryk, A. S., & Schneider, B. (2002). *Trust in schools: A core resource for improvement*. Russell Sage Foundation.
- Carey, K., Cambiano, R. L., & De Vore, J. B. (2002). Student to faculty satisfaction at a Midwestern university. *Journal of the Scholarship of Teaching and Learning*, 2(1), 15–28.
- Chen, J., & Childhood, E. (2016). Empathy in service delivery: A psycho-social perspective. *Journal of Service Research*, 18(3), 45–60.
- Chen, J., & Childhood, E. (2016). Quality assurance in higher education: A global perspective. *Journal of Educational Excellence*, 14(2), 78–92.
- Chen, J., & Childhood, E. (2016). Reliability in early childhood education: A parent's perspective. *Journal of Educational Quality*, 12(3), 45–58.
- Crosby, P. B. (1979). *Quality is free: The art of making quality certain*. McGraw-Hill.
- Díaz-Méndez, M., Saren, M., & Gummesson, E. (2017). Value co-creation and university teaching quality: Consequences for the European Higher Education Area (EHEA). *Journal of Service Management*, 28(4), 736–762.
- Delgado-Ballester, E., & Munuera-Alemán, J. L. (2001). Brand trust in the context of consumer loyalty. *European Journal of Marketing*, 35(12), 1238–1258.
- Lodge, J., & Coates, H. (2018). Co-creation in higher education: Towards a conceptual model. *Journal of Marketing for Higher Education*, 28(2), 210–231.
- Elliot, K. M., & Healy, M. A. (2001). Key factors influencing student satisfaction related to recruitment and retention. *Journal of Marketing for Higher Education*, 10(4), 1–11.
- Erdem, A. R. (2004). *Eğitim ve öğretimde etik* [Ethics in education and teaching]. Ankara: Nobel Yayın Dağıtım.
- Faranak, F., & Behnaz, B. (2011). Measuring service quality in Islamic banking: A new approach. *International Journal of Islamic and Middle Eastern Finance and Management*, 4(2), 165–177.

- Fernandes, C., Ross, K., & Meraj, M. (2013). Understanding student satisfaction and loyalty in the UAE HE sectors. *International Journal of Educational Management*, 27(6), 613–630.
- Fitzsimmons, J. A., & Fitzsimmons, M. J. (2011). *Service management: Operations, strategy, information technology* (7th ed.). McGraw-Hill Education.
- Fraser, B. J. (2012). Classroom learning environments: Retrospect, context and prospect. In B. J. Fraser, K. G. Tobin, & C. J. McRobbie (Eds.), *Second international handbook of science education*, 1191–1239.
- Fraser, B. J. (1998). Classroom environment instruments: Development, validity, and applications. *Learning Environments Research*, 1(1), 7–33.
- Fraser, B. J. (2012). Classroom learning environments: Retrospect, context, and prospect. In B. J. Fraser, K. G. Tobin, & C. J. McRobbie (Eds.), *Second international handbook of science education*. Prentice Hall Europe.
- Fraser, B. J. (2014). Classroom learning environments: Historical and contemporary perspectives. In N. G. Lederman & S. K. Abell (Eds.), *Handbook of research on science education*, 4(3), 104–119.
- Gallanter, M. (1994). *Cults: Faith, healing, and coercion*. Oxford University Press.
- Garbarino, E., & Johnson, M. S. (1999). The different roles of satisfaction, trust, and commitment in customer relationships. *Journal of Marketing*, 63(2), 70–87.
- Goodwin, A. L. (2005). School culture and its relationship to teacher retention. *Urban Education*, 40(3), 211–233.
- Grönroos, C. (2011). A service perspective on business relationships: The value creation, interaction and marketing interface. *Industrial Marketing Management*, 40(2), 240–247.
- Gronroos, C. (2011). *Service management and marketing: A customer relationship management approach*. McGraw-Hill Education.
- Gürgün, S. (2014). *Eğitim bilimine giriş* [Introduction to educational science]. Ankara: Pegem Akademi.
- Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate data analysis* (7th ed.). Prentice Hall.

- Hennig-Thurau, T., Gwinner, K. P., & Gremler, D. D. (2002). Understanding relationship marketing outcomes: An integration of relational benefits and relationship quality. *Journal of Service Research*, 4(3), 230–247.
- Hennig-Thurau, T., Langer, M. F., & Hansen, U. (2001). Modeling and managing student loyalty: An approach based on the concept of relationship quality. *Journal of Service Research*, 3(4), 331-344.
- Herwan, H., Sutisna, M., & Wibowo, A. (2018). The impact of facilities and infrastructure on student learning outcomes. *International Journal of Educational Research*, 10(2), 112–125.
- Hewitt Edmond, V. (2009). Parent satisfaction and student retention in private schools. *Journal of School Choice*, 3(2), 123–145.
- Hill, F. M. (1995). Managing service quality in higher education: The role of the student as primary consumer. *Quality Assurance in Education*, 3(3), 10-21.
- Ho, H. P., Thi, P. N., Nguyen, T., & Nguyen, N. H. T. (2024). The impact of satisfaction on retention and word-of-mouth action: A case study of Dai Nam University student. *International Journal of Research Publication and Reviews*, 5(4), 8277–8287.
- Hom, W. C. (2002). *Student satisfaction and student learning: A case study of a retention program*. University of California, Los Angeles.
- Hsu, S. H. (2018). The relationship between service quality, customer satisfaction, and customer loyalty: A study of retail stores in Taiwan. *Journal of Business and Retail Management Research*, 12(2), 1–10.
- Ibrahim, A. (1997). *Service quality and customer satisfaction: A case study of the Malaysian banking industry*. Unpublished doctoral dissertation, University of Malaya.
- Ibrahim, M., Wong, S. L., & Chapman, E. (2023). The impact of learning environments on student motivation and satisfaction. *Journal of Educational Psychology*, 115(3), 456–472.
- Johnson, R., Smith, K., & Brown, L. (2019). The role of empathy in student satisfaction: A case study of private schools. *Educational Quality Journal*, 22(4), 112–125.

- Kotler, P., & Armstrong, G. (2012). *Principles of marketing* (14th ed.). Prentice Hall Europe.
- Kotler, P., & Clarke, R. N. (1987). *Marketing for health care organizations* (2nd). Oxford University Press.
- Kotler, P., & Fox, K. F. A. (1995). *Strategic marketing for educational institutions* (2nd ed.). Oxford University Press.
- Kubenea, H. H. (2022). *Service encounter approach and word of mouth: A service context of higher learning institutions in Kilimanjaro, Tanzania*. Master Thesis. Moshi Co-operative University.
- Lawanson, O. A., & Gede, N. T. (2011). Provision and management of school facilities for the implementation of UBE programme. *Journal of Educational and Social Research, 1*(4), 41–48.
- Lindsey, R. B., Robins, K. N., & Terrell, R. D. (2003). *Cultural proficiency: A manual for school leaders*. Prentice Hall Europe.
- Lukman, A. (2000). *Service quality in higher education: A study of student perceptions*. Unpublished doctoral dissertation, University of Malaya.
- Maglio, P. P., & Spohrer, J. (2008). Fundamentals of service science. *Journal of the Academy of Marketing Science, 36*(1), 18–20.
- Molesworth, M., Nixon, E., & Scullion, R. (2009). *The marketisation of higher education and the student as consumer*. McGraw-Hill Education.
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing, 58*(3), 20-38.
- Moos, R. H., & Trickett, E. J. (1974). *Classroom environment scale manual*. Consulting Psychologists Press.
- Oldfield, B. M., & Baron, S. (2000). Student perceptions of service quality in a UK university business and management faculty. *Quality Assurance in Education, 8*(2), 85-95.
- Oliver, R. L. (2010). *Satisfaction: A behavioral perspective on the consumer* (2nd ed.). Prentice Hall Europe.

- Oplatka, I., & Hemsley-Brown, J. (2004). The research on school marketing: Current issues and future directions. *Journal of Educational Administration*, 42(3), 375–400.
- Palacio, A. B., Meneses, G. D., & Perez, P. J. (2002). The configuration of the university image and its relationship with the satisfaction of students. *Journal of Educational Administration*, 40(5), 486–505.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49(4), 41–50.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64(1), 12–40.
- Paswan, A. K., & Ganesh, G. (2009). Higher education institutions: Satisfaction and loyalty among international students. *Journal of Marketing for Higher Education*, 19(1), 65–84.
- Perry Hinton, D., Hinton, P. R., McMurray, I., & Brownlow, C. (2004). *SPSS explained*. Routledge.
- Prahalad, C. K., & Ramaswamy, V. (2004). Co-creation experiences: The next practice in value creation. *Journal of Interactive Marketing*, 18(3), 5–14.
- Prahalad, C. K., & Ramaswamy, V. (2004). *The future of competition: Co-creating unique value with customers*. Harvard Business Review Press.
- Ravitch, D. (2010). *The death and life of the great American school system: How testing and choice are undermining education*. Basic Books.
- Rojas-Mendez, J. I., Vasquez-Parraga, A. Z., Kara, A., & Cerda-Urrutia, A. (2009). Determinants of student loyalty in higher education: A tested relationship approach in Latin America. *Latin American Business Review*, 10(1), 21-39.
- Schein, E. H. (2006). *Organizational culture and leadership*. Jossey-Bass.
- Sirdeshmukh, D., Singh, J., & Sabol, B. (2002). Consumer trust, value, and loyalty in relational exchanges. *Journal of Marketing*, 66(1), 15-37.
- Swan, J. E., Bowers, M. R., & Richardson, L. D. (1999). Customer trust in the salesperson: An integrative review and meta-analysis of the empirical literature. *Journal of Business Research*, 44(2), 93–107.

- Sarpkaya, R. (2004). *Eğitim politikaları ve yönetimi [Educational policies and management]*. Ankara: Anı Yayıncılık
- Smith, A., & Taylor, B. (2020). Co-created service experiences in education: The importance of empathy. *Journal of Educational Service Management*, 15(2), 78–92.
- Smith, P. R., & Zook, Z. (2011). *Marketing communications: Integrating offline and online with social media* (5th ed.). Kogan Page.
- Tapscott, D. (1998). *Growing up digital: The rise of the net generation*. McGraw-Hill.
- Tjiptono, F., & Chandra, G. (2011). *Service quality and satisfaction*. Yogyakarta: Andi Offset.
- Tor, H. (2004). Transformation in education systems: Adapting to technological advancements. *Journal of Educational Development*, 12(3), 195–210
- Tschannen-Moran, M., & Hoy, W. K. (2000). A multidisciplinary analysis of the nature, meaning, and measurement of trust. *Review of Educational Research*, 70(4), 547–593.
- Twum, K. K., & Pephrah, W. K. (2020). Student satisfaction with service quality in higher education: A SERVQUAL approach. *Journal of Educational Service Management*, 15(4), 78–92.
- Vlachos, P. A., Tsamakos, A., Vrechopoulos, A. P., & Avramidis, P. K. (2009). Corporate social responsibility: Attributions, loyalty, and the mediating role of trust. *Journal of the Academy of Marketing Science*, 37(2), 170–180.
- Vargo, S. L., & Lusch, R. F. (2017). Service-dominant logic 2025. *International Journal of Research in Marketing*, 34(1), 46–67.
- Vargo, S. L., Maglio, P. P., & Akaka, M. A. (2008). On value and value co-creation: A service systems and service logic perspective. *European Management Journal*, 26(3), 145–152.
- Williams, J. (2002). The student as customer: The discourse of "quality" in higher education. *Journal of Further and Higher Education*, 26(4), 363–371.
- Walberg, H. J., & Anderson, G. J. (1968). Classroom climate and individual learning. *Journal of Educational Psychology*, 59(6), 414–419.

- Wong, S. L., & Chapman, E. (2023). Student satisfaction in higher education: A review of contributing factors. *Educational Research Review*, 38(6), 100–115.
- Wubbels, T., & Brekelmans, M. (2005). Two decades of research on teacher-student relationships in class. *International Journal of Educational Research*, 43(12), 6–24.
- Wubbels, T., & Brekelmans, M. (2012). Teacher-student relationships in the classroom. In B. J. Fraser, K. G. Tobin, & C. J. McRobbie (Eds.), *Second international handbook of science education*, 63(5), 1241–1255.
- Wolfe, J. (2018). The importance of school facilities in student achievement. *Journal of School Improvement*, 19(1), 34–45.
- Yıldırım, A., Aksu, M., & Becel, O. (2013). *Language and communication in the digital era*. Istanbul: Academic Press.
- Zarybnisky, E. (2010). Parental involvement and student retention in private schools. *Journal of Educational Research*, 103(4), 245–256.
- Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: A means–end model and synthesis of evidence. *Journal of Marketing*, 52(3), 2–22.
- Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2018). *Services marketing: Integrating customer focus across the firm* (7th ed.). McGraw-Hill Education.

APPENDIX A
STRUCTURED QUESTIONNAIRE

PART I:

Demographic Data

1. Age Group of Student

- ≤ 12 years
- 13–15 years
- 16–18 years
- ≥ 19 years

2. Gender of Student

- Male
- Female

3. Current Grade of Student

- Middle School
- High School

4. Education Level of Parents

- Illiterate
- Read & Write
- Primary School
- Middle School
- High School
- Graduate
- Post Graduate

5. Occupation of Parents

- Government Employee
- Private Sector Employee
- Business Owner/Self-employed
- Unemployed/Homemaker

6. Family Income Level (Monthly)

- Below 500,000 MMK
- 500,000–1,000,000 MMK
- 1,000,000–2,000,000 MMK
- Above 2,000,000 MMK

7. Number of Children Enrolled in the School

- 1 child
- 2 children
- 3 or more children

8. Length of Enrollment in the School

- Less than 1 year
- 1–3 years
- More than 3 years

9. Residence

- Hlaing Township (same location)
- Nearby Townships (e.g., Kamaryut, Mayangone, Sanchaung)
- Distant Townships (e.g., South Dagon, North Okkalapa)

10. Ethnicity

- Bamar
- Kachin/Kayar/Karen/Chin/Mon/Rakhine/Shan
- Chinese/Indian
- Other

PART II:

Areas / Statements

Please tick (✓) one box per statement according to the scale stated below.

Please note that the scale is from 1-5:

1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly agree

1 Service Personal Questionnaire

No.	Particulars	1	2	3	4	5
(a)	Assurance					
1	The school staff are friendly and courteous.					
2	The teachers are friendly and courteous.					
3	The teachers have strong academic credentials.					
4	The school is committed to satisfying students' needs.					
5	The school has effective security measures.					
(b)	Empathy					
6	Administration has students' best interest at heart.					
7	Access to study rooms is accommodated with students' convenient.					
8	The teachers are sympathetic and supportive of students' needs.					
9	The school is fair and unbiased in their treatment of individual students					
10	Staffs are willing to give students attention.					
(c)	Reliability					
11	The school keeps its records accurately					
12	Staffs show sincere interest in solving student's problems.					
13	The teachers are reliable (e.g., keeps time/don't cancel classes).					
14	This school provides its services at a time it promises to do so.					
15	The teachers show sincere interest in solving student's problems.					

2 Service Facility Questionnaire

No.	Particulars	1	2	3	4	5
(a)	Physical Facility					
1	Facilities for ventilation around the school is enough and comfortable.					
2	Lighting in the classroom works well.					
3	The furniture provided is sufficient for learning.					
4	The library has adequate resources available.					
5	The restrooms have efficient water supplies, cleanliness, and proper sanitation.					
(b)	Learning Environment					
6	The student achieved the learning objectives that set for himself.					
7	The students have opportunities to give feedback on lectures.					
8	Various teaching methods (e.g., PBL/Group Work) are being used in classes					
9	The school provides opportunities to participate in activities.					
10	The students receive sufficient feedback on assessments.					
(c)	Communication Material					
11	Exam schedules are sent with SMS or Viber group					
12	Announcements are sent to me with SMS or Viber group					
13	I follow the school news by using mobile phone					
14	Academic staffs use various technologic devices to give lectures.					
15	Academic staffs use power point presentations to give lectures.					

3 Service Value Questionnaire

No.	Particulars	1	2	3	4	5
(a)	Service Quality					
1	The service delivered met my expectations.					
2	The service was delivered on time					
3	The school provides the service quality it promotes.					
4	The school ensures fairness in grading and academic assessments.					
5	The school is located in a convenient place.					
(b)	Co-delivery Value					
6	The school provides the services according to what I expect.					
7	The school values are meet by the service provider in the school.					
8	The school encourages student involvement in the learning processes.					
9	The school supports parental involvement in students' academic progress.					
10	The school organizes interactive workshops or sessions where parents and students can contribute to the education process.					
(c)	Co-creation Value					
11	The school interacts with the students to serve them better.					
12	Students have a participatory role during the lessons.					
13	The student complies with the general guidelines of the teachers.					
14	The student avoids generating conflicts that disrupt other students' enjoyment of classes.					
15	It is important for the student to combine complementary learning activities during the course					

4 Customer satisfaction questionnaire

No.	Particulars	1	2	3	4	5
1	I am satisfied with the decision for the student to attend this school.					
2	I am satisfied with the course.					
3	I am satisfied with the teaching method.					
4	I am satisfied with the learning experience that my child got.					
5	The school is a good place to study.					
6	I am satisfied with the staff's helpfulness.					
7	I am satisfied with the school's communication and responsiveness to parents' concern.					
8	I am satisfied with the range of facilities.					
9	The school meets customer requirements.					
10	The school meets customer expectations.					

5 Trust questionnaire

No.	Particulars	1	2	3	4	5
1	The school keeps its promises.					
2	If a problem arises, the school can solve effectively.					
3	The school has trustworthy academic programs.					
4	I believe the school has sufficient knowledge on current trends.					
5	The school enhances my expectation					
6	Overall, I have completely trust in the school.					
7	I trust the school's suggestions on which faculty is best for student's future.					
8	The school treats me honestly in every activity.					
9	The school builds strong relationships with students and parents.					
10	I have confidence in the school's long-term commitment to quality education.					

6 Retention questionnaire

No.	Particulars	1	2	3	4	5
1	I plan to continue my child's education at this school.					
2	I believe my child will finish matriculation examination at this school.					
3	I made the right choice when I choose to this school.					
4	I am willing to advocate for the school and recommend it to others.					
5	It is very likely that I will say positive things about the school to other people.					
6	I would recommend the school to someone seeking my advice.					
7	I encourage friends and relatives to study at this school.					

APPENDIX II

SPSS OUTPUT

1. Regression Analysis Results for Effect of Service Personal on Customer Satisfaction

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.705 ^a	0.497	0.486	0.2287	1.988

Predator: (Constant), Assurance, Empathy, Reliability

Dependent Variable: Customer Satisfaction

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.836	3	2.279	43.554	0.000 ^b
	Residual	6.906	132	0.052		
	Total	13.741	135			

Dependent Variable: Customer Satisfaction

Predictor: (Constant), Assurance, Empathy, Reliability

Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.749	0.202		8.658	0.000
	Assurance	0.042	0.111	0.058	0.379	0.705
	Empathy	0.261	0.119	0.351	2.185	0.031
	Reliability	0.252	0.086	0.332	2.937	0.004

Dependent Variable: Customer Satisfaction Mean

2. Regression Analysis Results for Effect of Service Facility on Customer Satisfaction

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.576 ^a	0.332	0.317	0.2637	1.998

Predictor: (Constant), Physical Facility, Learning Environment, Communication Material

Dependent Variable: Customer Satisfaction

ANOVA ^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.559	3	1.520	21.847	0.000 ^b
	Residual	9.182	132	0.070		
	Total	13.741	135			

Dependent Variable: Customer Satisfaction

Predictor: (Constant), Physical Facility, Learning Environment, Communication Material

Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.998	0.255		7.836	.000
	Physical Facility	-0.020	0.107	-0.026	-0.184	0.854
	Learning Environment	0.294	0.118	0.347	2.494	0.014
	Reliability Communication Material	0.215	0.113	0.278	1.911	0.058

Dependent Variable: Customer Satisfaction Mean

3. Regression Analysis Results for Effect of Service Value on Customer Satisfaction

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.832 ^a	0.692	0.685	0.1791	2.052

Predictor: (Constant), Service Quality, Co-delivery Value, Co-creation Value

Dependent Variable: Customer Satisfaction

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.505	3	3.168	98.728	0.000 ^b
	Residual	4.236	132	0.032		
	Total	13.741	135			

Dependent Variable: Customer Satisfaction

Predictor: (Constant), Service Quality, Co-delivery Value, Co-creation Value

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.912	0.195		4.686	0.000
	Service Quality	0.194	0.087	0.221	2.225	0.028
	Co-delivery Value	1.553	0.208	1.584	7.461	0.000
	Co-creation Value	0.977	0.212	1.002	4.601	0.000

Dependent Variable: Customer Satisfaction Mean

4. Regression Analysis Results for Effect of Customer Satisfaction on Retention

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.904 ^a	0.818	0.817	0.2338	1.867

Predictor: (Constant), Customer Satisfaction Mean

Dependent Variable: Retention Mean

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	3.309	3			0.000 ^a
	Residual	4.581	82	1.103	602.676	
	Total	7.890	85			

Dependent Variable: Retention Mean

Predictor: (Constant), Customer Satisfaction Mean

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.188	0.158		1.191	0.236
	Customer Satisfaction	0.957	0.039	0.904	24.549	0.000

Dependent Variable: Retention Mean

5. Regression Analysis Results for Moderating Effect of Customer Satisfaction on Retention

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.906 ^a	0.821	0.819	0.1437	
2	0.909 ^b	0.827	0.823	0.1421	1.789

Predator: (Constant), Predictor: (Constant), Customer Satisfaction Mean, Trust Mean, Customer Satisfaction x Trust

Dependent Variable: Retention Mean

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.627	2	6.313	305.587	0.000 ^b
	Residual	2.748	133	0.021		
	Total	15.374	135			
2	Regression	12.710	3	4.237	209.882	.000 ^c
	Residual	2.665	132	0.020		
	Total	15.374	135			

Dependent Variable: Retention Mean

Predictor: (Constant), Customer Satisfaction Mean, Trust Mean, Customer Satisfaction x Trust

Coefficients ^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.835	0.141		27.127	0.000
	Customer Satisfaction	0.287	0.017	0.850	16.617	0.000
	Trust	0.053	0.035	0.079	1.537	.100
2	(Constant)	3.472	0.227		15.292	0.000
	Customer Satisfaction	0.427	0.071	1.265	6.007	0.000
	Trust	0.146	0.057	0.215	2.558	.012
	Customer Satisfaction* Trust	.038	.019	0.525	2.030	.044

Dependent Variable: Retention Mean