

**YANGON UNIVERSITY OF ECONOMICS  
DEPARTMENT OF COMMERCE  
MASTER OF MARKETING MANAGEMENT PROGRAMME**

**SERVICE QUALITY, CUSTOMER SATISFACTION AND  
CUSTOMER LOYALTY TOWARDS KBZ  
STIRLING COLEMAN SECURITIES**

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**SERVICE QUALITY, CUSTOMER SATISFACTION AND  
CUSTOMER LOYALTY TOWARDS KBZ  
STIRLING COLEMAN SECURITIES**

A thesis submitted to the Board of Examiners in partial fulfillment of the requirement  
for the degree of Master of Marketing Management (MMM)

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## **ABSTRACT**

The objective of this study is to examine the correlation between service quality and customer satisfaction and loyalty in the securities industry, using the SERVQUAL approach. The research methodology employed descriptive statistics and quantitative research methods. Both primary and secondary data sources were utilized, with a sample size of 189 active local individual investors who had engaged in trading within the past year, determined using the Yamane Formula. Primary data was collected through an online questionnaire, while secondary data was gathered from various sources such as the KBZSC website, textbooks, previous theses, the Yangon Stock Exchange website, and relevant journals. The findings indicate that the different dimensions of service quality, including tangibles, reliability, responsiveness, assurance, and empathy, have a significant impact on customer satisfaction in securities companies. These results can assist securities firms in enhancing their service strategies, fostering customer loyalty, and gaining a competitive advantage in a highly competitive market. The study also offers valuable insights for executives, financial practitioners, and researchers interested in comprehending the relationship between service quality and customer satisfaction within the context of securities companies. Furthermore, this research can serve as a foundation for future studies exploring other factors that influence customer satisfaction and effective strategies for improving it.

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# CHAPTER I

## INTRODUCTION

In a globalized and rapidly changing world, the service sector, specifically securities firms, is experiencing ongoing evolution and expansion. Apart from providing essential investment services and effectively overseeing their clients' financial assets, securities companies also play a crucial role in facilitating financial market activities. These entities are increasingly under pressure to not only expand their market share but also to retain it amidst intensifying competition. To achieve this objective, it is imperative to uphold high levels of customer satisfaction.

Within this dynamic environment, securities firms must confront challenges stemming from technological advancements, regulatory changes, and evolving customer preferences. Continuous innovation is essential to enhance service delivery, optimize processes, and deliver tailored financial solutions that cater to the diverse requirements of investors. Moreover, establishing robust customer relationships is paramount, as content and loyal clients not only boost revenue growth but also bolster the company's standing and market presence. Given the escalating competition in the financial sector, the importance of customer loyalty, satisfaction, and service excellence cannot be overstated in the securities industry. As the financial services landscape continues to expand, upholding stringent standards in this domain has emerged as a strategic imperative for firms seeking to deepen their market penetration.

The objective of this research is to examine how the service quality offered by KBZ Stirling Coleman Securities Company (KBZSC) impacts customer loyalty and satisfaction in Myanmar's financial services sector. KBZSC is a prominent player in the industry and plays a crucial role in investment and account management. Customer loyalty is particularly important in the security sector, as loyal customers not only continue to engage with the company but also recommend its services to others. Therefore, it is essential for KBZSC's growth and competitiveness to understand the factors that influence customer loyalty.

Customer satisfaction is a key factor in retaining customers, as it affects their likelihood of repurchasing and becoming loyal investors. In order to stay ahead in the market, businesses must consistently improve their service quality. Providing high-quality service can result in positive word-of-mouth, increased profitability, and market

leadership. This study focuses on the dynamics of customer satisfaction in the securities industry, using the SERVQUAL framework to evaluate various aspects of service quality, including tangible elements such as facilities and equipment, reliability in service delivery, responsiveness to customer needs, assurance of professionalism, and empathy towards individual customer concerns.

The main goal of this research is to bridge the gap between theoretical concepts and practical applications by examining the factors that influence customer satisfaction in securities firms using the SERVQUAL model. By increasing academic understanding and providing industry insights, this study aims to help securities companies like KBZSC succeed in a competitive market and deliver exceptional benefits to their customers.

### **1.1 Rationale of the Study**

The Securities company offers financial services to investors. Nowadays, customers possess a greater level of knowledge, which contributes to their contentment when selecting a securities company. Customer satisfaction is influenced by several factors, such as financial aspects, technological advancements, service quality, employee expertise, convenience, and more. Ensuring high service quality has emerged as a crucial strategic objective for service sector companies, as contented customers play a pivotal role in driving business achievements.

Securities firms are currently under immense pressure to enhance and maintain their market share in an increasingly competitive environment. In order to thrive in this highly competitive market, service providers often find it necessary to scrutinize their service processes. Each organization must assess its own strengths and weaknesses, as well as the level of service quality, customer satisfaction, and customer loyalty it achieves. Obtaining customer feedback is crucial for every business to evaluate the quality of its services, as it forms a significant part of the service sector.

As a prominent player in the industry, KBZSC's ability to retain and expand its market shares heavily relies on the satisfaction and loyalty of its customer base. In the competitive landscape of the securities industry, it is vital for KBZSC to comprehend the underlying factors that drive customer satisfaction and loyalty in order to maintain its success and relevance in the market. To achieve this, the study aims to utilize the widely recognized SERVQUAL framework, which provides a structured approach for

evaluating different aspects of service quality, such as tangibles, reliability, responsiveness, assurance, and empathy. By employing the SERVQUAL framework, the study seeks to gain deeper insights into how these dimensions influence customer satisfaction and loyalty within the specific context of KBZSC.

KBZ Stirling Coleman Securities Company is a leading player in the securities market in Myanmar. It distinguishes itself from other firms by offering a comprehensive range of brokerage services, including market insights, investment advice, trade execution, and portfolio management. The company recognizes that customer satisfaction is crucial for expanding its market share. Satisfied customers not only remain loyal but also contribute to business growth through referrals. The quality of services provided by KBZ Stirling Coleman greatly influences customer investment decisions and overall satisfaction. This research aims to understand and improve customer satisfaction and loyalty at KBZ Stirling Coleman Securities.

Currently, a study is being conducted to assess the effects between service quality and the satisfaction and loyalty of KBZSC securities. Further research is required to ascertain the influence of tangibility, reliability, responsiveness, assurance, and empathy on customer satisfaction. It is logical to assume that the quality of service and customer satisfaction play a vital role in the sustained success of service-oriented businesses, particularly in the financial sector. Numerous studies have been carried out in various industries, such as banking, hotels, insurance companies, and other financial institutions, to identify the factors that impact service quality.

## **1.2 Objective of the Study**

The main objective of this study is not only to evaluate the level of customer satisfaction at KBZSC, but also to investigate the underlying factors that influence whether customers are satisfied or dissatisfied. The specific objectives of this research are detailed below.

1. To identify the service quality of KBZ Stirling Coleman Securities Company
2. To analyze the effect of service quality on customer satisfaction of KBZ Stirling Coleman Securities Company
3. To analyze the effect of customer satisfaction on customer loyalty towards KBZ Stirling Coleman Securities Company

### **1.3 Scope and Method of the Study**

The main focus of the study is to analyze customer satisfaction and loyalty at KBZ Stirling Coleman Securities Company (KBZSC) using the SERVQUAL model's service quality dimensions. The primary data for the study consists of responses from 600 local investors who actively traded with the company in 2023, including both in-person and online investors. The sample size of 189 participants was determined using Taro Yamane's formula. To collect the data, a simple random sampling technique was used, and survey questionnaires were distributed through Google Forms. The participants were asked to indicate their level of agreement with each statement using a 5-point Likert scale. The data collection period took place from April to May 2024. In this study, the term "customer" refers to an investor.

Additionally, secondary data was gathered from various sources such as the KBZSC website, Yangon Stock Exchange website, newspapers, textbooks, academic research, and literature related to financial services marketing news. The research methodology used in this study is descriptive in nature.

### **1.4 Organization of the Study**

This research is divided into five sections. The first section provides an overview, including the rationale, objectives, scope, methodology, and organization of the research. The second section explores the theoretical underpinnings of service quality, customer satisfaction, and customer loyalty, as well as a review of previous studies and the conceptual framework. The third section examines service quality and customer satisfaction specifically within KBZSC. The fourth section evaluates the impact of service quality on customer satisfaction and customer loyalty within KBZSC. Lastly, the fifth section summarizes the findings and discussions, offers recommendations, suggestions, and identifies potential areas for future research.

## **CHAPTER II**

### **THEORETICAL BACKGROUND**

This section includes the theoretical basis and the model used in the study, as well as the relevant theories and theoretical framework applied. It is worth mentioning that this chapter is divided into three parts. The first part introduces the study's model, followed by an examination of the model and framework used in previous research. Finally, the conceptual framework is presented, which aims to evaluate customer satisfaction in the context of KBZ Stirling Coleman Securities company.

#### **2.1 Concept of the Service Quality Dimensions**

The increasing competition in the market has highlighted the importance of service quality in academic research. It is now seen as a crucial element for gaining a competitive edge and fostering strong customer relationships (Zeithmal, 2000). Saghier and Nathan (2013) stress the significance of service quality in the service industry, particularly for financial service providers seeking to stand out. Various studies have delved into service quality, resulting in the creation of different theories and models to address this issue and underscore the importance of implementation and various factors. Despite the existence of numerous definitions and indicators for service quality, there is no universally agreed upon definition. Eshghi (2008) defines "quality of service" as an overall evaluation by customers, while other scholars view "customer service" as the extent to which services meet customers' needs and expectations.

The concept of "service quality" was introduced to refer to "the comprehensive evaluation of a particular service provider that arises from comparing the performance of that business with the general expectations of customers regarding how firms in that sector should perform" (Chidambaram and Ramachandvan, 2012). Employees in the services marketing sector, particularly bank marketers, must comprehend the characteristics of the services that customers consider when selecting a bank in order to formulate an effective marketing strategy. Customers may select a bank's services based on factors such as the bank's reputation, reliability, guarantees, and physical facilities. By understanding the criteria used to assess service quality, marketers can better manage and influence the perception and understanding of the customer

experience (Toelle, 2006).

In order to ensure the delivery of high service quality, companies must take into account the dimensions that underpin it, as outlined by Parasuraman et al. (1988) in the SERVQUAL model. These dimensions consist of tangibles, reliability, responsiveness, assurance, and empathy. Each of these dimensions contributes to the overall service quality and can be further elaborated as follows:

### **Tangibles**

The tangibility of an organization is exemplified by its physical infrastructure, tools, communication materials, and employees. Tangibles are items that possess a physical presence and can be observed through touch and vision. Fitzsimmons (2001) suggested that the physical aspects of the environment serve as a clear indicator of the quality of care and attention provided by the service provider. Davis (2003) considered tangibles as the physical representation of the service being delivered. Parasuraman (1985) expanded on this concept by defining tangibility as the visibility of physical infrastructure, tools, employees, and written materials. Within the context of service quality, tangibles encompass information and communication technology (ICT) tools, physical infrastructure, their aesthetics, and the services provided by the organization (Blery, K, 2009).

According to Pakurar, et. al., (2019), physical or tangible evidence refers to an organization's or service provider's ability to demonstrate its presence to external parties, which includes its physical appearance, equipment, staff, mechanics, communication channels, and necessary technology for service provision. Lundstrom (2008) described "tangibility" as relating to the appearance of physical infrastructure, tools, staff, and communication materials, encompassing any tangible object that can be perceived through touch.

### **Reliability**

Reliability is the cornerstone of service provision, encompassing the consistent delivery of promised, dependable, accurate, and trustworthy services to customers. Service providers must effectively address customer service issues, ensure services are executed correctly on the initial attempt, adhere to punctual service delivery, and maintain an impeccable track record devoid of errors, such as passbook printing (Khan,

M. T., & Fasih, M. 2014). The concept of reliability is rooted in the service provider's ability to consistently deliver committed services in their entirety (Blery, K. 2009). Customers actively seek services that they can rely on and trust. Dependability, therefore, involves the capacity to fulfill promised services in a reliable, accurate, and entirely responsible manner, free from negligence or errors (AnN, J., & Noh, M. 2009).

Based on the SERVQUAL framework, reliability is characterized by Parasuraman (1985) as the capability to provide services with precision and consistency as agreed upon. It is underscored that reliability plays a crucial role in service quality, impacting customer satisfaction significantly (Zhang, 2019). In line with this, Rashi (2019) affirms that reliability pertains to the reliability and uniformity of service delivery, underscoring the responsibility of service providers to offer services in a timely manner.

Four criteria have been used to assess reliability in service operations: the efficiency of the check-in process, timeliness of aircraft departures, on-time arrival at the destination, and handling concerns related to lost luggage. Responsiveness involves being ready to assist travelers, provide quick service, and promptly address their needs (Bebko, 2000). The reliability aspect of service quality can be seen as how a service provider consistently delivers services to its customers (Khan, M. T., & Fasih, M. (2014). Reliability ensures that a service provider can consistently meet a certain level of service. Trust and the overall perception a customer forms after using a service are influenced by reliability. The human element of service quality affects how the reliability aspect of service quality is perceived.

### **Responsiveness**

Responsiveness, a component of SERVQUAL, is described as the willingness to aid customers and offer timely service (Parasuraman, 1988). It consists of four elements: willingness to assist, attentiveness to customer needs, communication about service delivery with customers. This aspect stresses the significance of being attentive and prompt in addressing customer inquiries, requests, complaints, and problems. It involves the time customers wait for assistance, responses to questions, or resolution of issues. The idea of adaptability and the capacity to customize services to meet customer needs are essential. Prioritizing customer perspectives over those of the organization is crucial (Wilson et al., 2008). Conversely, Johnston, R. (1997) defines responsiveness



as the speed and punctuality in providing services.

Responsiveness assesses how prepared and capable an organization or service provider is in delivering services promptly and responsively to customer demands. The main focus in this area is on the speed and efficiency in meeting customer needs (Parasuraman, 1985). Alertness refers to the proactive behavior of employees in an organization to act promptly and convey information according to customer needs. Meeting or surpassing customer expectations in service quality leads to customer satisfaction, and the ability to deliver the promised service reliably and accurately is also part of alertness (Shokouhyar, 2020).

### **Assurance**

Blery K. (2009) conducted a study and found that the level of knowledge and courtesy displayed by employees is crucial in their ability to provide services and establish trust with customers. Berry, L. L. (2014) emphasized the importance of employees' knowledge and courtesy in building assurance, as well as their ability to instill trust and confidence in customers. Additionally, skilled employees who treat customers respectfully and provide a sense of security contribute to assurance. Four dimensions have been identified to measure assurance: employees' proficiency in service delivery, politeness towards customers, their ability to inspire confidence, and their knowledge in addressing customer inquiries.

Assurance is closely tied to the trust and confidence customers feel in the service provider's staff and their ability to deliver services. The skills, knowledge, and ability of the staff to meet customer needs are essential in this aspect (Parasuraman, 1985). Assurance can also be described as the combination of a courteous attitude exhibited by the service provider's staff and their extensive knowledge, which enables them to build trust with customers (Torabi S. A, 2021).

In accordance with the above, Ananda A. D. (2017) emphasized that assurance is comprised of competence, politeness, credibility, and security. These elements are demonstrated through the knowledge and courtesy of employees, as well as their capacity to instill trust and confidence in customers.

## **Empathy**

Furthermore, Parasuraman (1985) suggests in the SERVQUAL model that empathy involves efforts to understand the feelings and requirements of customers, and to provide services that cater to and acknowledge their emotions and needs. This element focuses on the ability to perceive and respond with sensitivity. It is essential for customers to feel that they are valued in the service provided by the organization. Empathy includes showing concern and offering personalized attention by effectively delivering services to customers (Torabi S. A., 2021). In his book *Emotional Intelligence*, Goleman (2012) argues that empathy essentially refers to an individual's capacity to understand the emotions of others. Goleman also emphasizes the presence of different levels of understanding, defining, and addressing underlying concerns and needs that impact reactions and other emotional responses.

Kaura (2012) defines empathy as the capability of service providers to adequately address the needs and concerns of individual customers. Khan, M. T., & Fasih, M. (2014) and Blery, K. (2009) also point out that empathy involves taking responsibility for resolving customer issues at both individual and collective levels. The human aspect of service quality plays a crucial role in influencing perceptions of this dimension of service quality (Kaura, A. 2012).

## **2.2 Concept of Customer Satisfaction**

The relationship between consumers and service providers in the financial industry is crucial in determining customer satisfaction. When customers engage with a financial product or service, they have certain expectations in mind. These expectations may be based on previous experiences, word-of-mouth recommendations, or advertising and marketing efforts.

During the evaluation process, customers compare their expectations with the actual product or service received. This evaluation process is essential in determining the level of satisfaction customers feel. If the product or service meets or exceeds their expectations, customers are likely to be satisfied. However, if there is a significant disparity between their expectations and the service provided, customers may feel dissatisfied.

Customer satisfaction is a direct result of this evaluation process, as stated by

Kotler (2009). It serves as a critical measure of a service's success in the financial industry. When customers are satisfied, they are more likely to continue using the service and recommend it to others. On the other hand, dissatisfied customers may switch to a competitor or share their negative experiences, which can harm the reputation and success of the service provider.

Customer satisfaction plays a significant role in building a loyal and successful customer base. When customers are satisfied, they are more likely to become repeat customers and develop a sense of loyalty towards the service provider. This loyalty can lead to long-term relationships and increased customer retention.

The disparity between customers' expectations and their perception of the service provided by the service provider influences customer satisfaction, as noted by Harris (2000). If customers perceive that the service provider has met or exceeded their expectations, they are more likely to be satisfied. However, if customers perceive that the service provider has fallen short of their expectations, they may feel dissatisfied.

Therefore, service providers in the financial industry must strive to understand and meet customer expectations to ensure customer satisfaction. This can be achieved through effective communication, personalized service, and continuous improvement efforts. By consistently meeting or exceeding customer expectations, service providers can build a loyal and satisfied customer base, leading to long-term success in the financial industry.

Based on the research conducted by Kotler (2009), customer satisfaction is determined by the extent to which the perceived performance meets the expectations of the buyer. Service providers prioritize the establishment of enduring relationships with their clientele, especially considering the nature of the goods and services they provide. Losing a customer is considered a cause for concern, as highlighted by Sweeney (2008). Schiffman and Kanuk (2010) characterize customer satisfaction as an individual's assessment of how well a product or service performs in comparison to their expectations. The expectations held by customers significantly influence their satisfaction levels. Dissatisfied customers are those who have had negative experiences. The primary goal should be to ensure that all customers are content with their interactions.

### **2.3 The Relationship between Service Quality and Customer Satisfaction**

The correlation between customer satisfaction and service quality has been

established in various research studies. Many companies and organizations strive to enhance customer satisfaction, particularly those that value long-term customer relationships. Customer satisfaction has emerged as a crucial element for efficient business operations in the financial service industry, despite the fact that the identification of service quality attributes may not be fully acknowledged (Belas, J., & Gabova, M., 2016; Chavan & Ahmad, 2013). Consequently, the model developed by Parasuraman (1985) has been recognized as a predictive variable by numerous authors as a gauge of customer satisfaction.

Herington, C., & Weaver, K. (2009) conducted a study that revealed a positive association between customer satisfaction and service quality. As a result, perceived service quality is widely considered a precursor to customer satisfaction, a relationship that has been confirmed in previous research (Naik, 2010). Brady, M. K., & Cronin, J. J. (2001) explored three primary hypotheses regarding the relationship under study: Firstly, service quality serves as the precursor to customer satisfaction; secondly, customer satisfaction acts as the driving force behind service quality (Bitner, M., 1990).

Service quality and customer loyalty have been extensively studied by researchers in the service industry, particularly in sectors like finance. Numerous empirical studies have explored the relationship between service quality and customer satisfaction, finding that customers are more satisfied with companies that offer superior service quality. Furthermore, it has been established that the level of service quality has a significant impact on consumer behavior, either directly or indirectly through customer satisfaction. Factors such as care, credibility, assurance, and security are crucial in determining customer satisfaction levels. Additionally, the satisfaction of Malaysian travelers is influenced by factors such as the availability of attractive offers, discounts, reliability, trustworthiness, and security, as well as the efficient use of technology for flight arrangements and bookings. In a study conducted by Caruana (2002), the loyalty of 1,000 retail banking customers in Malta was examined as part of research on the banking sector. The findings revealed that the connection between service quality and service loyalty was influenced by customer satisfaction. In the same year, a measurement tool based on the five dimensions of SERVQUAL was developed and tested to evaluate service quality in banks in the United Arab Emirates (UAE). Through factor analysis of the SERVQUAL items, three dimensions were identified: tangibles, reliability, and empathy. The researchers emphasized the significance of

reliability as the most crucial aspect of their instrument. However, it is worth noting that they did not consider any new service quality dimensions that may be specific to the UAE culture. Previous research has suggested that service quality plays a pivotal role in determining customer satisfaction.

#### **2.4 Concept of Customer Loyalty**

Customer loyalty encompasses both behavioral and attitudinal loyalty, with a particular emphasis on the behavioral aspect. According to Dick, A. S., & Basu, K. (1994), customer loyalty is characterized by a strong emotional attachment or profound commitment from a consumer to a specific product, service, brand, or company. These behaviors collectively contribute to the growth of the business. In contrast, Harris, L. C. (2000) defines customer loyalty as the extent to which a customer exhibits repeat purchase behaviors for a specific product or service. As indicated by the research of Struebing, J. (1996), loyal customers are those who allocate a significant portion of their disposable income towards purchasing the organization's products and services. Loyal customers play a crucial role in increasing revenues, fostering repeat business, expanding market share, and generating referrals. Consistent with the findings of Sasser, W. E. (1995), customers who are highly satisfied are more likely to maintain their loyalty to a company compared to those who are dissatisfied. A decrease in overall satisfaction is the primary factor leading to a decline in customer loyalty.

The significance of customer satisfaction in today's competitive business environment was highlighted by Bruhn and Grund (2000). They argued that businesses can gain and maintain a competitive edge by prioritizing customer happiness. This is because satisfied customers are more likely to be loyal, leading to higher repurchase rates, opportunities for cross-buying, a willingness to pay higher prices, positive word-of-mouth recommendations, and a reduced likelihood of switching to competitors. Heskett (1997) also emphasized the importance of customer loyalty as a key driver of success for firms, seen as a source of competitive advantage. Additionally, Schultz (2000) pointed out that loyal customers tend to make repeat purchases at regular prices and show little interest in offers from competitors.

#### **2.5 The Relationship between Customer Satisfaction and Customer Loyalty**

Customer loyalty is strongly correlated with customer satisfaction (Leninkumar, V. 2017). When customers have a positive experience with a company's service, they

are more inclined to continue doing business with that firm due to a perception of reduced risk, leading to loyalty and rational decision-making. This phenomenon is commonly referred to as customer loyalty. The connection between customer satisfaction and customer loyalty has been extensively explored in service management literature (Kumar, A. 2013). Both the service management and marketing literature have proposed empirical investigations into the relationships between customer satisfaction and customer loyalty (Shanka, T. 2012).

In Munari's (2013) study, the importance of satisfaction in building loyalty was highlighted. The author argued that satisfaction and loyalty are interconnected and essential components of ultimate loyalty. This means that in order to foster loyalty, businesses must first ensure that their customers are satisfied with their products or services.

Sondoh (2007) supported this idea by emphasizing the role of customer satisfaction in driving customer retention. The author suggested that satisfied customers are more likely to remain loyal to a brand or company, as they have had a positive experience and are more inclined to continue their relationship with the business. Hoq and Amin (2010) further reinforced the link between customer satisfaction and loyalty by stating that satisfied customers are less likely to switch banks. This implies that by ensuring customer satisfaction, banks can increase customer loyalty and reduce the risk of losing customers to competitors.

Oh and Kim (2017) demonstrated that businesses can effectively cultivate customer loyalty by providing high-quality products and services that enhance customer satisfaction. The authors found that when customers are satisfied with the quality of a product or service, they are more likely to develop a sense of loyalty towards the brand or company. It is important to note that the relationship between customer satisfaction and loyalty is not linear. Heskett (2008) recommended that firms prioritize increasing customer satisfaction levels in order to maintain a strong sense of customer loyalty. This suggests that businesses should continuously strive to improve customer satisfaction, as it is a key factor in building and maintaining loyalty.

According to Shanka, T. (2012), a high degree of customer satisfaction will promote brand loyalty and is positively correlated with future purchase intentions, positive word of mouth, and profitability. As is evident, previous study using customer satisfaction as the mediating variable has already established the considerable positive

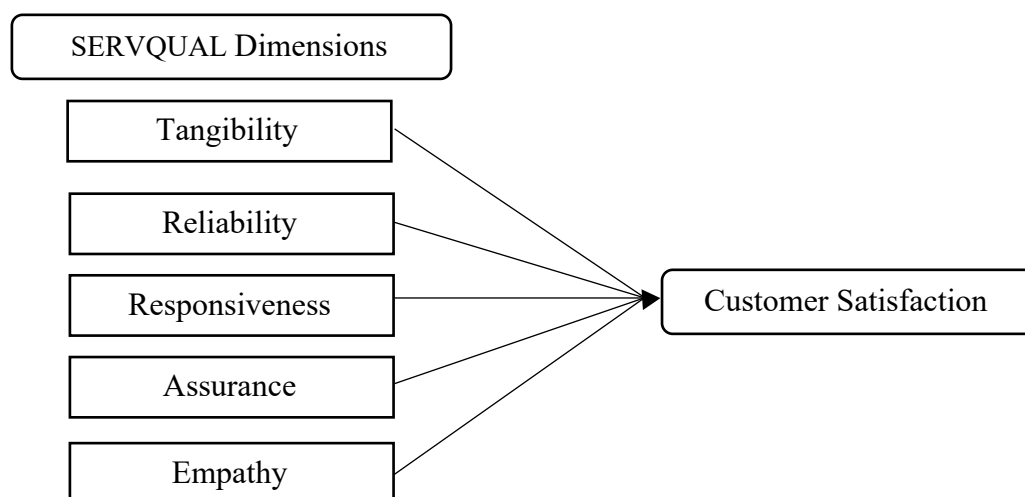
relationship between service quality and customer loyalty.

## 2.6 Previous Studies

This study primarily refers to two earlier studies and adapts the conceptual framework of those studies in order to conduct its investigation. Bekele, G. T. (2007), and Fida, A., et al. (2020) are the authors of those papers.

Bekele, G. T. (2007) devised a measurement scale at Oromia International Bank Share Company in Ethiopia to assess the service quality and customer satisfaction levels within the financial institution. Service quality is crucial as it can lead to enhanced customer satisfaction, increased profitability, reduced costs, customer loyalty, and retention. The main objective was to assess the service quality and customer satisfaction levels at Oromia International Bank (OIB). A self-administered questionnaire, developed based on the SERVQUAL model which includes five dimensions (tangibility, responsibility, reliability, assurance, and empathy), was utilized along with open-ended questions. Bekele, G. T. (2007) illustrated their conceptual framework in Figure (2.1).

**Figure (2.1) Service Quality, Customer Satisfaction and Customer Loyalty of Oromia International Bank (OIB), Ethiopia**



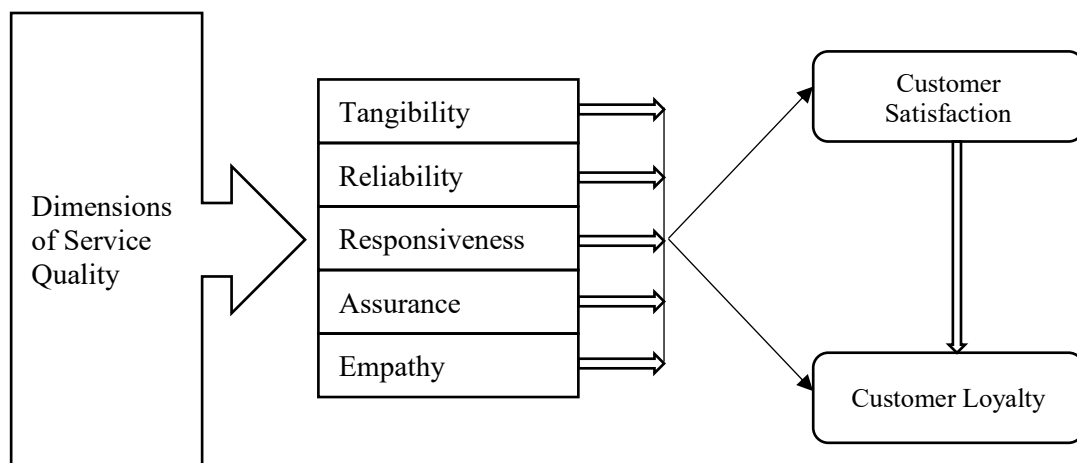
Source: Bekele, G. T. (2007)

In a study conducted by Bekele, G. T. (2007), the primary objective was to evaluate the level of customer satisfaction and service quality provided by Oromia International Bank (OIB). To effectively describe the characteristics and aspects of

service quality, the researcher employed a descriptive design. A total of 144 customers were randomly selected from twelve branches of the bank situated in Addis Ababa. The findings revealed that the reliability dimension holds significant importance to the bank's customers. Consequently, it is recommended that the bank should prioritize and focus more on enhancing reliability.

Similarly, Fida, A., et al. (2020) conducted a study in the Sultanate of Oman to examine the impact of service quality on customer loyalty and satisfaction. The study utilized the SERVQUAL model and targeted four main Islamic banks in the Sultanate of Oman. A structured, self-administered questionnaire was employed, and a convenience sampling method was utilized for data collection.

**Figure (2.2) The Impact of Service Quality on Customer Loyalty and Customer Satisfaction of Islamic bank (Sultanate of Oman)**



Source: Fida, A. et al, (2020)

Data were gathered from a sample of 120 customers of an Islamic bank in Oman through the utilization of a structured, self-administered questionnaire that employed convenience sampling techniques. The aim of the correlation analysis was to explore the noteworthy associations among the variables being examined. The outcomes revealed that, on average, the participants expressed agreement in all five domains, namely tangibles, reliability, responsiveness, assurance, and empathy, in relation to customer satisfaction and customer loyalty. The study also established a significant connection between the three variables: service quality, customer

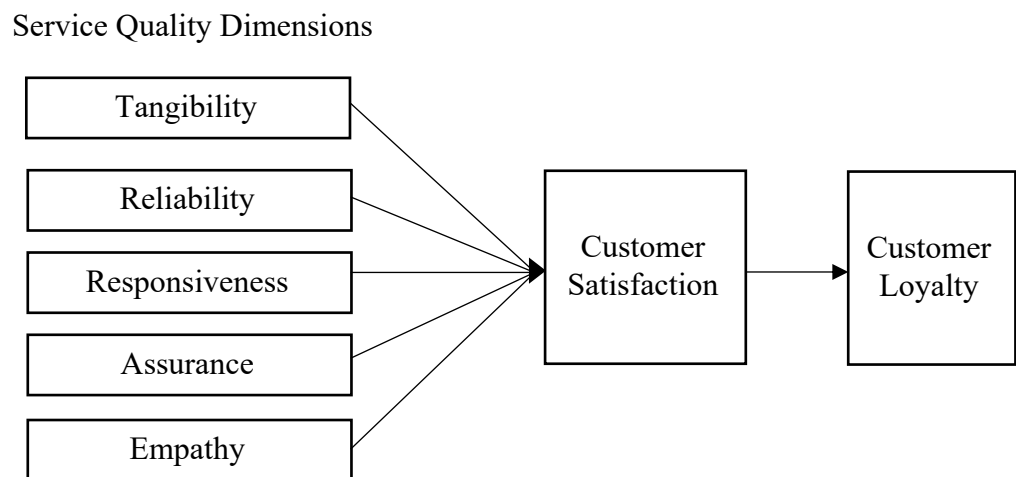


satisfaction, and customer loyalty. The results of the regression analysis indicated that empathy and responsiveness exerted a significantly strong influence on customer satisfaction. The study conducted by Fida, A., et al. (2020) on the correlation between service quality and customer satisfaction is depicted in Figure (2.2).

## 2.7 Conceptual Model

Based on the previous literatures, the study model used in this study will be proposed as shown in Figure (2.3). The study will concentrate on five aspects of service quality - tangible, reliability, responsiveness, assurance, and empathy - which will be considered as the independent variables. The study will investigate how these independent variables influence customer satisfaction and customer loyalty, which are the dependent variables.

**Figure (2.3) Conceptual Framework of the Study**



Source: Own Compilation, 2024

Tangibility plays a crucial role in creating a positive first impression for investors. When a business has well-maintained facilities and up-to-date equipment, it conveys a sense of professionalism and reliability. Additionally, the appearance of employees and management, including their attire and grooming, can also contribute to the overall perception of the business.

Reliability is essential for building trust and maintaining long-term relationships with investors. When a business consistently delivers on its promises and provides

accurate information and services, investors feel confident in their decision to invest. Addressing any service-related issues promptly and effectively further enhances the perception of reliability.

Responsiveness is a key factor in ensuring investor satisfaction. When employees are readily available and willing to assist investors, it demonstrates a commitment to meeting their needs and resolving any concerns or inquiries they may have. Prompt service can also help prevent any inconvenience or frustration for investors.

Assurance is crucial in instilling confidence in investors. When employees possess the necessary knowledge and expertise to address investor questions and concerns, it reassures them that their investments are in capable hands. Professionalism in communication and interactions further enhances this sense of assurance.

Empathy sets a business apart from its competitors by showing a genuine understanding and consideration for the individual needs of each investor. By going above and beyond to meet and exceed investor expectations, businesses can build strong relationships and loyalty. This can be achieved through personalized communication, tailored solutions, and a willingness to listen and empathize with investors' concerns and goals.

## **CHAPTER III**

### **SERVICE QUALITY OF KBZ STIRLING COLEMAN SECURITIES COMPANY**

This chapter provides an examination of the profile, financial services, and organizational structure of KBZ Stirling Coleman Securities company. It also explores the important role played by the securities company, the variety of financial services provided by KBZ Stirling Coleman Securities, and the corporate vision, values, and organizational structure of KBZSC.

#### **3.1 Profiles of KBZ Stirling Coleman Securities**

The head office of KBZ Stirling Coleman Securities (KBZSC) is situated at No 53, Strand Road, Strand Square 6th Floor, Unit 631, Yangon, Myanmar. KBZSC is a prominent firm engaged in underwriting, dealing, broking, and investment advisory services on the Yangon Stock Exchange in Myanmar. It is a joint venture between KBZ Bank, a Myanmar-based institution, and Stirling Coleman Capital, a Singapore-based company. On October 7th, 2015, KBZSC became the first private securities company to receive the underwriter license from the Government of the Republic of the Union of Myanmar, Ministry of Finance. This license allows KBZSC to conduct underwriting, dealing, broking, and investment advisory activities on the Yangon Stock Exchange. Additionally, KBZ Bank serves as the fund settlement bank for cash settlement in stock trading on the YSX.

KBZ Bank, the largest privately owned bank in Myanmar's banking sector, holds approximately 40% of the market share in both retail and commercial banking. The Central Bank of Myanmar (CBM) granted KBZ Bank its banking license on June 4th, 1994. In contrast, Stirling Coleman Capital Limited, established in 2001, is an independent corporate finance advisory firm that focuses on offering M&A and corporate finance advisory services to small and medium-sized enterprises (SMEs) in the Middle Market across Asia. This firm is authorized by the Monetary Authority of Singapore to act as an IPO issue manager, underwriter, and placement agent for companies seeking to list in Singapore.

The stock market operates based on the principles of supply and demand, ensuring that all market participants have immediate access to information on buy and

sell orders to promote fair and transparent pricing of securities. Securities firms play a crucial role in financial markets by offering services such as securities dealing, where they trade securities on their own behalf, and securities brokerage, where they execute orders on behalf of clients for a fee, enabling both individual and institutional investors to access the market.

KBZ Stirling Coleman Securities (KBZSC) also involved a vital role in the financial system by offering such as dealing, brokerage, underwriting, investment advisory. Now's days, it has over 18,000 investors also included local investors and foreign investors who's open trading account and serving financial services as well. KBZSC served as an intermediate between Yangon Stock Exchange and investors. Investor can easily buy or sell of listed companies of (FMI, MTSH, MCB, FPB, TMH, EFR, AMATA and MAEX) shares through from the KBZSC securities. A securities company makes use of a trading platform created by TATA Consultancy Services (TCS) from India. This advanced trading platform facilitates the timely and efficient completion of buy and sell transactions are executed on the YSX.

### **3.1.1 Financial Services of KBZ Stirling Coleman Securities**

KBZ Stirling Coleman Securities has played a crucial role in advancing the country's financial market through its significant contributions. The firm provides a wide range of financial services to its clients, which commonly encompass:

**Fixed Income and Securities Brokerage:** Equity Trading & Fixed Income Trading provided the financial products not only buying and selling of stocks listed on the Yangon Stock Exchange but also can be invest in government and corporate bond & bill. Electronic trading platforms also provide for the order placing and to check up-to-date trading account position. Investor can participate government primary bond & bill auction.

**Corporate Finance Advisory:** Offering advisory services for mergers and acquisitions (M&A), initial public offerings (IPOs), and other corporate finance transactions. KBZSC offers comprehensive financial advisory and consulting services designed to meet the varied needs of investors. These services include strategic financial planning, investment advisory, and corporate finance consulting. The firm's team of seasoned professionals provides expert guidance on capital restructuring to the

public and private company.

**Research and Analysis:** Publishing comprehensive research and analysis, offering detailed reports on economic trends, industry performance and individual securities. This through analysis helps investors identify investment opportunities and assets risks, equipping them to make informed investment decisions in the financial markets.

**Investment Advisory Services:** Managing investors portfolio reviewing and providing by financial information to make an investment decision depends on the investor need. KBZSC offers in-depth research and analysis on financial markets and specific securities, helping investors make informed decisions.

**Account Opening:** customers can open a trading account either by visiting the office in person or through the online platform. Trading account opening service is available to both local and foreign investors, and there are no fees associated with opening an account.

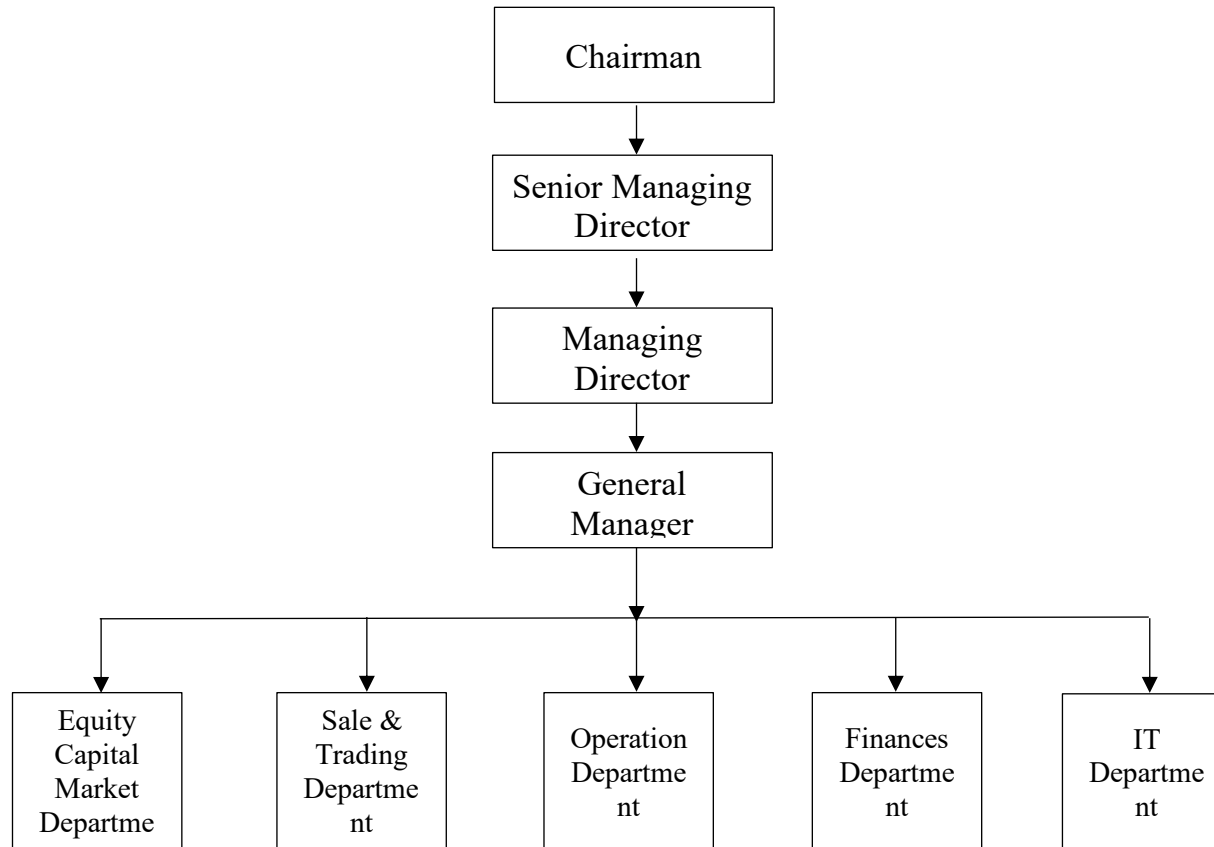
**Online Trading Platforms:** KBZSC offers digital platforms for customers to trade securities online, with access to real-time market data and analysis. Investor can see the live market orders buy (or) sell information details, their own total portfolios and can placed the order through from the multi-channel such as office phone ordering from a broker, mobile application and online trading platform by them self.

**Financial Education and Training:** dedicated to enhancing financial literacy such as investment principles, market dynamics and financial planning through from seminars, workshops, webinars and creating educating video as well.

### **3.2 Organization Structure**

KBZ Stirling Coleman Securities offers a wide range of financial services to its clients, leveraging their professional expertise and extensive experience. With a workforce of 20-50 employees, the company maintains a well-structured organizational framework that enables efficient governance and the delivery of effective services across different functions. The manager provided insights into the job specifics of the relevant departments, which are illustrated in Figure (3.1) of the company's organizational structure.

**Figure (3.1) Organization Structure of KBZSC**



Source: KBZSC website

According to organization structure of KBZSC securities, it has a relatively flat organizational structure, with a few layers of management. A securities company with five main departments such as equity capital market department, sale and trading department, operation department, finance department and IT department.

### **3.2.1 Equity Capital Market Department**

KBZSC Securities Company's Equity Capital Markets (ECM) department specializes in facilitating the issuance of stocks and equity-related securities. This division works closely with corporate customers to structure, price, and distribute new equity offerings, including initial public offerings (IPOs), follow-on offerings, and rights issues. The ECM team plays a crucial role in the process of raising capital by conducting comprehensive market research and creating detailed financial models. They offer strategic advice to customers on various equity financing options, ensuring that each offering is customized to meet the specific needs and objectives of the customer. This requires a deep understanding of market conditions, investor sentiment, and the financial health of the issuing company.

Furthermore, the ECM team ensures that all equity issuances comply with the securities laws and regulations. They collaborate with regulatory bodies to navigate the intricate legal landscape, thereby facilitating a seamless issuance process. Building and maintaining strong relationships with institutional investors is another vital aspect of the ECM department's responsibilities. These relationships are essential for the successful placement of equity securities, as institutional investors often provide the significant capital required for large equity offerings. They also coordinate with regulatory bodies to ensure compliance with securities laws and regulations, and maintain relationships with institutional investors to support the successful placement of equity securities.

### **3.2.2 Sale and Trading Department**

The Sales and Trading department plays a vital role in the financial markets by acting as the intermediary between investors and the securities they want to trade. This department is divided into two main functions: sales and trading. The sales function focuses on building and maintaining strong customer relationships, providing personalized investment advice, and ensuring that customers' investment objectives are

achieved. Sales professionals utilize their extensive market knowledge and analytical skills to offer insights and recommendations, assisting customers in navigating the complexities of the financial markets. This involves understanding customer needs, staying updated on market trends, and effectively communicating to establish trust and ensure customer satisfaction.

On the other hand, the trading function concentrates on executing buy and sell orders on behalf of customers. Traders utilize various strategies, such as technical analysis, which involves studying historical market data and price charts, and fundamental analysis, which assesses a company's financial health and market conditions, to make well-informed trading decisions. They are responsible for continuously monitoring market conditions and promptly responding to market movements to optimize customer portfolios. Risk management is a crucial aspect of their role, as traders must adhere to trading regulations and mitigate the risks associated with market volatility. By effectively balancing the objectives of maximizing returns and minimizing risks, they also ensure compliance with trading regulations and manage risks associated with market fluctuations to protect customer investments.

### **3.2.3 Operation Department**

The Operations Department at KBZSC Securities Company plays an essential role in ensuring that all securities transactions are executed smoothly and efficiently. This department is responsible for the entire post-trade process, which includes settlement, clearing, and the custody of securities. Settlement refers to the process of transferring securities and money between buyers and sellers after a trade has been executed. Clearing involves the validation and confirmation of transaction details before settlement. Custody refers to the safekeeping of securities on behalf of customers. The operation team meticulously maintains accurate records of all these activities, ensuring that all transactions are completed in a timely manner. They reconcile accounts regularly to identify and correct discrepancies, ensuring compliance with regulatory requirements. This process is crucial as it guarantees the accuracy and integrity of financial records, which in turn supports the trust customers place in the company.

In addition to handling transactions, the Operations Department manages various corporate actions such as dividends, mergers, and stock splits. Dividends



involve the distribution of a portion of a company's earnings to its shareholders, while mergers and stock splits are corporate actions that affect the ownership structure and value of shares. The Operations team ensures these events are accurately processed and communicated to customers, providing them with the necessary information and support. This department also provides back-office support to other departments within the company, to smooth operational workflows. They implement and maintain operational policies and procedures aimed at enhancing efficiency and reducing risks. This involves continuously reviewing and updating processes to adapt to changing regulatory requirements and market conditions. The Operations Department work is fundamental to the overall functioning of KBZSC Securities Company, enabling it to offer reliable and high-quality services to its customers.

#### **3.2.4 Finance Department**

The Finance Department at KBZSC Securities Company is vital to the company's success, focusing on several critical financial functions. One of their primary tasks is preparing and managing the company's budget. This involves forecasting revenues and expenses, monitoring financial performance against the budget, and making necessary adjustments to meet financial targets. Financial planning and analysis are also central to the department's role, requiring the team to develop long-term financial strategies aligned with the company's business objectives. This strategic planning is supported by preparing detailed financial statements and reports that provide insights into the company's financial health.

Managing cash flow is another essential function of the Finance Department. This includes overseeing the inflow and outflow of funds to ensure that the company can meet its financial commitments without liquidity issues. Effective capital allocation is also crucial, as the department must determine the best ways to allocate resources to maximize returns on investments. Financial risk management involves identifying potential financial risks and developing strategies to mitigate these risks, protecting the company's assets and ensuring financial stability. Additionally, the finance team handles the fund settlement process, ensuring that all financial transactions are completed accurately and efficiently. By maintaining these functions, the Finance Department ensures that KBZSC Securities Company operates smoothly and maintains a strong financial foundation.

Furthermore, the Finance Department facilitates communication and compliance with external parties. This includes coordinating with external auditors during financial audits and ensuring that all financial practices meet regulatory standards. The department also maintains regular communication with regulatory bodies to stay updated on financial regulations and ensure compliance. Providing accurate and timely financial information to investors is another critical function, as it helps maintain investor confidence and supports the company's reputation in the financial markets. By supporting strategic decision-making through detailed financial analysis and forecasts, the Finance Department enables the company to make informed decisions that drive growth and profitability.

### **3.2.5 IT Department**

The IT Department at KBZSC Securities Company is responsible for developing, maintaining, and securities company technological infrastructure. This department manages one of their primary responsibilities is monitoring the trading platforms used for executing securities transactions. These platforms must possess qualities of robustness, reliability, and efficiency in handling high volumes of transactions. To ensure this, the IT team continuously monitors and upgrades these systems to meet the always changing demands of the dynamic market environment. Additionally, they are responsible for managing the network infrastructure that supports these platforms, ensuring stable network connectivity and efficient data transmission throughout the organization and Yangon Stock Exchange.

This support extends to the implementation of new technologies and systems aimed at enhancing operational efficiency and improving service delivery to customers. The IT team works closely with other departments to understand their technological needs and align IT initiatives with the overall business objectives of the company.

### **3.3 Service Quality of KBZ Stirling Coleman Securities**

The dimensions that influence the quality of customer satisfaction at KBZ Stirling Coleman securities in Yangon are outlined in this section. These dimensions encompass tangibles, reliability, responsiveness, assurance, and empathy. As a financial institution and service organization in Myanmar, KBZSC recognizes the significance of customer service and satisfaction. The company places great emphasis on delivering excellent

customer service and considers prompt and efficient service as a top priority in its business strategies. This section provides an overview of the service characteristics offered by KBZ Stirling Coleman securities, which include tangibles, reliability, responsiveness, assurance, and empathy.

### **Tangibility of KBZSC**

This section outlines the key dimensions that impact customer satisfaction at KBZ Stirling Coleman securities in Yangon, including tangibles, reliability, responsiveness, assurance, and empathy. As a financial institution and service provider in Myanmar, KBZSC values the importance of customer service and satisfaction. The company prioritizes delivering exceptional customer service and views prompt and efficient service as a crucial aspect of its business strategies. This section offers an overview of the service qualities provided by KBZ Stirling Coleman securities, encompassing tangibles, reliability, responsiveness, assurance, and empathy.

### **Reliability of KBZSC**

KBZ Stirling Coleman securities places great importance on reliability, which is considered one of their core values. They strive to conduct their business in an honest and ethical manner with all their stakeholders. Reliability, in this context, refers to the ability to provide services accurately and as promised to their customers. In order to maintain consistency in their performance, KBZSC ensures that they deliver services to their customers in a dependable and accurate manner, addressing any issues that may arise during the process.

As a securities company, KBZSC understands the significance of providing services on time and getting it right the first time. They prioritize the confidentiality of their customers' information and transaction records, ensuring that there is no misuse of customer data. To stay up-to-date with the latest information and technology, KBZSC regularly updates their website, social media channels, and online trading system. Additionally, their staff is readily available to assist customers with their securities trading needs.

Customers also appreciate the physical security measures implemented by KBZSC. The company utilizes monitoring devices, such as transaction monitoring and recording phone lines, to ensure the security of their operations. This further enhances

the trust and confidence customers have in KBZSC as a reliable securities company.

### **Responsiveness of KBZSC**

KBZSC is committed to enhancing the quality of their services through various strategies. These include empowering their professional staff, implementing self-service options for customers, ensuring consistency across all customer touch points, educating customers about financial investment literacy, and embracing financial technology. The company aims to improve customer service by demonstrating responsiveness and promptly addressing customer issues. Customers have the flexibility to submit their complaints through various channels such as writing, oral communication, email, social media, phone, and Viber. KBZSC employees are dedicated to meeting customer needs and are always available to promptly respond to any customer complaints, regardless of their workload.

### **Assurance of KBZSC**

KBZSC underscores the importance of honesty in fostering trust among the company, its customers, valued clients, and stakeholders. The assurance provided by KBZSC signifies the expertise and professionalism of its employees, which in turn cultivates trust and confidence. The emphasis is placed on the knowledge and etiquette of the employees at KBZSC. Through their expertise, employees have the ability to inspire trust and confidence. Customers of KBZSC feel secure and at ease during their trading transactions, thanks to the behavior of the staff. Employees are entrusted with the responsibility of ensuring the security of every financial transaction.

### **Empathy of KBZSC**

KBZSC emphasizes the importance of compassion within an organization, urging employees to exhibit and embrace it regularly in their professional interactions. This highlights how organizational empathy entails offering personalized and individualized care to customers. Securities personnel at KBZSC are adept at discerning the unique requirements and desires of each customer. Consequently, KBZSC excels in comprehending customer expectations, surpassing competitors in delivering the necessary services.

**CHAPTER IV**  
**ANALYSIS ON SERVICE QUALITY, CUSTOMER**  
**SATISFACTION AND CUSTOMER LOYALTY TOWARDS KBZ**  
**STIRLING COLEMAN SECURITIES**

This section examines the demographic data of the participants, their usage patterns of securities, and their views on the quality of service provided by KBZSC securities, which includes attributes such as tangibility, reliability, responsiveness, assurance, and empathy. The ultimate focus is on understanding the influence of customer satisfaction on customer loyalty at KBZSC securities.

**4.1 Research Design**

The objective of this research is to identify the various factors that influence customer satisfaction and to analyze the impact of customer satisfaction on customer loyalty in KBZSC securities. The research adopts a quantitative research approach and employs a simple random sampling method to collect primary data. The sample consists of 600 active individual local investors who engaged in trading activities in 2023, encompassing both walk-in and online investors of the securities company. The sample size of 189 respondents is determined using Taro Yamane's (1967) formula. To gather primary data, structured questionnaires are distributed through Google Forms, utilizing KBZSC's customer database. In addition to primary data, secondary data are collected from textbooks, previous research papers, journals, and relevant websites. The data collection period spans from April to May 2024.

This study adopts the formula developed by Taro Yamane (1967) with 94% confidence level. The calculation is presented as follows:

The calculation is presented as follows:

$$\begin{aligned}n &= N/(1+Ne^2) \\ &= 600 / (1+600*0.06^2) \\ &= 189\end{aligned}$$

Where; n = sample size

N= population size

e = level of precision or sampling error

## 4.2 Demographic Information of Respondents

The demographic characteristics of respondents are discussed in this section. Table (4.1) provides a detailed illustration of demographic characteristics including gender, age, education level, occupation, monthly income and marital status.

**Table (4.1) Demographic Profile of Respondents**

Sr. No.	Item	Category	No. of Respondents	Percentage (%)
		<b>Total</b>	<b>189</b>	<b>100</b>
1	Gender	Male	77	41
		Female	112	59
2	Marital Status	Single	106	56
		Married	83	44
3	Age (Years)	Below 20 years	6	3
		21-29 years	13	7
		30-39 years	133	70
		40-49 years	23	12
		50 years and above	15	8
4	Education	Middle School	0	0
		High School	16	9
		Bachelor's Degree	138	73
		Master's Degree	32	17
		Doctoral Degree	3	2
5	Occupation	Student	2	1
		Employed	133	70
		Self-employed	27	14
		Retired	6	3
		Other	21	11
6	Monthly Income	Below 500,000	71	38
		500,001 to 1,000,000	66	35
		1,000,001 to 1,500,000	26	14
		1,500,001 to 2,000,000	11	6
		Above 2,000,000	15	8

Source: Survey Data (2024)

Based on the data in Table (4.1), the survey results indicate that the majority of participants are female, particularly those aged 30-39. The second largest age group is 40-49. The analysis shows that more respondents have a Bachelor's degree (138) compared to those with a Master's degree (32). A significant number of respondents are categorized as "other" in terms of employment. The majority of respondents earn between KS 500,001 to KS 1,000,000 per month.

### 4.3 Reliability Test

According to Cronbach (1951), the reliability of measurement scales is assessed through a reliability test. The Cronbach's alpha reliability test is utilized to establish reliability, with alpha values falling between 0.60 and 0.80 generally deemed acceptable and good, while values nearing 1.0 indicate strong internal consistency reliability. Alpha values below 0.60 are viewed as inadequate. Bartlett's test of sphericity is employed to ascertain the presence of correlations among variables, while Kaiser-Meyer-Olkin (KMO) is utilized to assess validity. As noted by Shkeer & Awang (2019), a KMO value above 0.6 and a significance value below 0.05 for Bartlett's test suggest a high level of validity. The standard recommendation is that a Cronbach's alpha of 0.70 or higher is satisfactory, 0.80 or higher is preferable, and 0.90 or higher is excellent. The reliability values (alpha values) of the variables are presented in Table (4.2).

**Table (4.2) Reliability Test of the Variables**

Sr. No.	Particulars	No. of Items	Cronbach's Alpha
1.	Tangibles	5	0.734
2.	Reliability	6	0.822
3.	Responsibility	6	0.745
4.	Assurance	6	0.717
5.	Empathy	6	0.871
6.	Customer Satisfaction	6	0.749
7.	Customer Loyalty	7	0.735

Source: Survey Data (2024)

Based on Table (4.2), the Cronbach's alpha coefficients for all variables fall

within the range of 0.7 to 0.8. This suggests that the questionnaires exhibit good and acceptable internal consistencies. The satisfactory values obtained for each variable indicate that the scale items on the questionnaires can be deemed reliable for the study. Consequently, it can be inferred that the internal consistency of the measure employed in this research accounts for the expectation of consistent results across different contexts, thereby establishing the validity and reliability of the data.

#### **4.4 Customer Perceptions on Service Quality, Customer Satisfaction and Customer Loyalty**

The analysis is carried out by distributing structured questionnaires with five-point Likert scales to 189 respondents. The responses are interpreted in line with Best (1977) as shown in Table (4.3).

**Table (4.3) Mean Rating Scale**

No.	Score Range Mean	Rating
1	1.00 -1.80	Very Low
2	1.81 -2.60	Low
3	2.61-3.40	Neutral
4	3.41- 4.20	High
5	4.21-5.00	Very High

Source: Best (1977)

##### **4.4.1 Service Quality Dimensions**

In this section, the dimensions of service quality, namely Tangibility, Reliability, Responsiveness, Accessibility, and Empathy, are assessed. Each of these factors contributes to shaping the customer's perception of overall satisfaction.



## 1. Tangible

Structured surveys are used to find out Tangibility at KBZ SC. Based on the findings, the study presents the mean, overall mean and standard deviation for the tangibility.

**Table (4.4) Mean Value of Tangibility**

No.	Description	Mean	Std. Deviation
1	Facilitating the KBZSC office is good	3.63	0.91
2	Providing KBZSC with materials (pamphlets, reports, brochures, website information) is visually appealing and easy to understand	3.65	0.91
3	Accessing KBZSC physical and digital services is easy and convenient	3.40	0.97
4	Using KBZSC technology trading platform and other services are up-to-date	3.49	0.98
5	Having a well located office	4.00	0.07
	<b>Overall Mean</b>		<b>3.81</b>

Source: Survey Data (2024)

The data presented in Table (4.4) shows that KBZSC's tangible attributes are perceived positively, with an average score of 3.81. Among these attributes, customers rated having a well-located office the highest, with a mean score of 4.00, while accessing physical and digital services received the lowest rating of 3.40. It is important to note that all standard deviations are within an acceptable range of one. This suggests that KBZSC can improve customer satisfaction by focusing on enhancing the accessibility of both physical and digital services.

## 2. Reliability

Structured surveys are used to find out the reliability at KBZSC. Based on the findings, the study presents the mean, overall mean and standard deviation for the reliability.

**Table (4.5) Mean Value of Reliability**

<b>No.</b>	<b>Description</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	KBZSC reliably executes trades accurately and on time	3.55	0.85
2	Happening wrong account statements or error transactions	3.54	0.94
3	Having high uptime and availability trading platform	3.50	0.92
4	Fulfilling promises and commitments to customers	3.63	0.89
5	Providing accurate and timely market information	3.31	0.97
6	Providing accurate financial and analysis reports	3.35	0.96
	<b>Overall Mean</b>		<b>3.48</b>

Source: Survey Data (2024)

The data in Table (4.5) indicates that KBZSC has an average reliability score of 3.48, showing a positive perception of their reliability-related factors. Customers rated the fulfillment of promises and commitments the highest at 3.63, while providing accurate financial and analysis reports received the lowest rating at 3.35. All standard deviations are within an acceptable range of one. These results suggest that KBZSC could improve customer satisfaction by focusing on the accuracy of their financial and analysis reports.

### **3. Responsiveness**

Structured questionnaires are used to find out the aspect of responsiveness at KBZSC securities. The mean, overall mean and standard deviation for the responsiveness is shown based on the findings.

**Table (4.6) Mean Value of Responsiveness**

No.	Description	Mean	Std. Deviation
1	Having employees to deliver services to the customer on time	3.70	0.97
2	Getting customer support easily during the trading hours	3.62	0.92
3	Having staff who never too busy and quick respond to any complaints the customers	3.64	0.92
4	Providing customer support communication channels (phone, email, chat, Viber) are responsive	3.40	0.97
5	Handling and resolving problems or complaints effectively	3.49	0.98
6	Operating in good faith and with regard to the customer best interest	4.00	0.15
	<b>Overall Mean</b>		<b>3.64</b>

Source: Survey Data (2024)

Based on the data in Table (4.6), KBZSC received an average rating of 3.64 for responsiveness, showing positive feedback from customers. The highest ratings were for operating in good faith and prioritizing customer interests, with an average score of 4.00, while customer support communication channels received the lowest rating at 3.40. It is worth noting that all standard deviations are within one unit, indicating that enhancing communication channels could potentially boost customer satisfaction at KBZSC.

#### **4. Assurance**

Structured questionnaires are used to find out the aspect of accessibility at KBZSC. The mean, average mean, and standard deviation of accessibility for the KBZSC are shown based on the findings.

**Table (4.7) Mean Value of Assurance**

<b>No.</b>	<b>Description</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Having staff who are knowledgeable enough to answer customer queries	3.68	0.95
2	Having representatives who keep the customer information and details confidential	3.55	0.85
3	Complying well with regulatory and compliance standards	3.67	0.86
4	Having staff who are being professionalism	3.58	0.88
5	Communicating effectively changes of policies or procedures that affect accounts or trading activities	3.54	0.94
6	Proving customers feel safe and secure while doing their transactions with KBZSC	3.79	0.87
	<b>Overall Mean</b>	<b>3.64</b>	

Source: Survey Data (2024)

Based on the data in Table (4.7), KBZSC has an average assurance score of 3.64, indicating a positive perception of assurance-related aspects. Customers rated feeling safe and secure during transactions with KBZSC the highest, with an average score of 3.79, while the effective communication of policy or procedure changes received the lowest rating at 3.54. It is worth noting that all standard deviations are within an acceptable range. These results suggest that KBZSC could enhance customer satisfaction by focusing on improving communication of policy or procedure changes.

## **5. Empathy**

Structured questionnaires are used to find out the aspect of Empathy at KBZSC. The mean, the overall mean, standard deviation for empathy as shown based on the findings.

**Table (4.8) Mean Value of Empathy**

<b>No.</b>	<b>Description</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Having staff who show individualized and personalized special attention to customer	3.63	0.92
2	Providing services and recommendations are personalized useful	3.68	0.85
3	Having staff who are well explained to the customer as a kindly	3.66	0.81
4	Making customers feel care and respect	3.81	0.85
5	Providing customer service to address concerns and issues with compassion	3.51	0.83
6	Providing Securities which opens at convenient operating hour for their customers	3.88	0.84
	<b>Overall Mean</b>	<b>3.70</b>	

Source: Survey Data (2024)

According to the data in Table (4.8), KBZSC has an average empathy score of 3.70, indicating a high level of empathy-related perceptions. Customers rated the provision of securities with convenient operating hours the highest, with an average score of 3.88, while the provision of customer service to address concerns and issues received the lowest rating of 3.51. All standard deviations are within an acceptable range of one. These results suggest that KBZSC could improve customer satisfaction by focusing more on addressing customer concerns and issues with increased care.

#### **4.4.2 The Overall Mean and Standard Deviation of Independent Variables**

The overall mean and standard deviation of variables are used to measure the customer perception towards KBZSC. The summary of the analysis is as shown in Table (4.9).

**Table (4.9) Overall Mean and Standard Deviation of Variables**

<b>Variables</b>	<b>Overall Mean</b>	<b>Standard Deviation</b>
Tangibility	3.81	0.46
Reliability	3.48	0.68
Responsiveness	3.64	0.58
Accessibility	3.64	0.58
Empathy	3.70	0.66

Source: SPSS Output Data 2024

Based on the data presented in Table (4.9), the average scores for tangibility, reliability, responsiveness, accessibility, and empathy range from 3.48 to 3.81. This indicates that respondents hold a positive perception of the service quality provided by KBZSC.

#### **4.4.3 Customer Satisfaction at KBZSC**

Structured questionnaires are used to find out of the aspect of Customer Satisfaction at KBZSC. The mean value and standard deviation for the customer satisfaction as shown based on the findings.

**Table (4.10) Customer Satisfaction at KBZSC**

<b>No.</b>	<b>Description</b>	<b>Mean</b>	<b>Std. Deviation</b>
1	Satisfying with the experience of KBZSC services	3.5	0.81
2	Satisfying with mobile app user-friendliness of KBZSC	3.38	0.88
3	Satisfying problem-solving process of KBZSC	3.47	0.95
4	Satisfying on response and prompt service	3.59	0.91
5	Providing minimum waiting time for its customers	3.64	0.95
6	Providing financial services and products for making investment decisions	3.40	0.86
	<b>Overall Mean</b>	<b>3.51</b>	

Source: Survey Data (2024)

Based on the data presented in Table (4.10), the overall customer satisfaction score was calculated to be 3.51, reflecting positive perceptions regarding KBZSC's customer satisfaction aspects. The aspect that received the highest rating from customers was the minimal waiting time provided, with an average score of 3.64, while the lowest rating was given to the user-friendliness of KBZSC's mobile app, with an average score of 3.38. It is noteworthy that all standard deviations are less than one, indicating a relatively consistent level of satisfaction among customers. This implies that enhancing the user-friendliness of the mobile app could potentially lead to an improvement in overall customer satisfaction for KBZSC.

#### 4.4.3 Customer Loyalty

Structured questionnaires are used to find out the aspect of Customer Loyalty at KBZSC. The mean, overall mean and standard deviation for the customer loyalty is shown based on the findings.

**Table (4.11) Customer Loyalty at KBZSC**

No.	Description	Mean	Std. Deviation
1	Recommending KBZSC services to others seeking reliable investment solutions.	3.69	0.96
2	Staying with KBZSC even if other securities companies offer lower fees.	3.63	0.92
3	Willing to pay competitive rates for the high-quality service provided by KBZSC.	3.65	0.92
4	Returning to KBZSC for their investment needs.	3.39	0.98
5	Promoting KBZSC services to friends and colleagues seeking investment guidance.	3.47	0.97
6	Choosing KBZSC over other securities companies, even if similar services are available elsewhere.	4.01	0.10
	<b>Overall Mean</b>		<b>3.65</b>

Source: Survey Data (2024)

Based on the data presented in Table (4.11), the overall score for customer loyalty at KBZSC was found to be 3.65. This score indicates that customers have a high perception of loyalty-related behaviors towards the company. Notably, customers rated the act of choosing KBZSC over other securities companies, even when similar services are available elsewhere, with the highest mean score of 4.01. On the other hand, the act of returning to KBZSC for their investment needs received the lowest mean score of 3.39. It is worth mentioning that all standard deviations were less than one, suggesting consistent perceptions across these loyalty dimensions. These findings imply that KBZSC could further enhance customer loyalty by focusing on improving retention strategies that encourage customers to return for their investment needs.

#### 4.5 Analysis of the Effect of Service Quality on Customer Satisfaction

The Effect of Service Quality on Customer Satisfaction towards KBZSC can be seen in below Table (4.12).

**Table (4.12) Effect of Service Quality on Customer Satisfaction**

Dependent Variable	Unstandardized Coefficient		Beta	t	Sig	VIF
	B	Standard Error				
Constant	.062	.312		.198	.843	
Tangible	.024	.108	.018	.226	.821	2.58
Reliable	.427***	.053	.469	8.076	.000	1.35
Responsiveness	.237**	.092	.222	2.564	.011	3.00
Assurance	.138**	.058	.128	2.367	.019	1.17
Empathy	.137**	.055	.147	2.483	.014	1.40
R <sup>2</sup>	.544					
Adjusted R <sup>2</sup>	.531					
F Value	43.597***					
Durbin-Watson	1.625					

Source: Survey data, 2024

Dependent variable: Customer Satisfaction

Note: \*\*\*significance at 1% level, \*\*significance at 5% level, \*significance at 10% level



Based on the data presented in Table (4.12), the regression model demonstrates the relationship between customer satisfaction levels and various factors. Among the five explanatory variables, the reliability factor exhibits the highest standardized coefficient (Beta) with a value of .469. This indicates that reliability has the greatest impact on increasing customer satisfaction when controlling for the variance explained by other variables.

Following reliability, the second most influential factor on customer satisfaction is responsiveness, with a Beta coefficient of .222. This is followed by empathy (.147) and assurance (.128). Overall, the model effectively explains the variations in customer satisfaction. Notably, an increase in reliability significantly affects customer satisfaction.

The F value of 43.597 is found to be significant at the 1% level ( $p < 0.01$ ,  $F = 43.597$ ). This highlights the high significance of the model, validating its use in regression analysis. The table further illustrates the effect of service quality on customer satisfaction, with a strong R Square value of .544. This indicates that the selected service quality dimensions, as independent variables, can explain 53.1% of the variation in customer satisfaction ( $P < 0.01$ ,  $r \text{ square} = 0.531$ ).

#### 4.6 Analysis of the Effect of Customer Satisfaction on Customer Loyalty

The Effect of Customer Satisfaction on Customer Loyalty towards KBZSC can be seen in below Table (4.13).

**Table (4.13) Effect of Customer Satisfaction on Customer Loyalty**

Dependent Variable	Unstandardized Coefficient		Beta	t	Sig
	B	Standard Error			
Constant	.973	.22		4.462	0.00
Customer Satisfaction	.713***	.06	.649	11.652	0.00
R <sup>2</sup>	.421				
F Value	135.777***				

Source: Survey data, 2024

Dependent Variable: Customer Loyalty

Note: \*\*\*significance at 1% level, \*\*significance at 5% level, \*significance at 10% level

The significance of F at 1% level ( $P < 0.01$ ,  $F = 135.777$ ) highlights the importance of the chosen model, indicating its validity. The impact of the customer satisfaction variable on customer loyalty is elucidated in Table (4.13) through regression analysis. The analysis reveals an  $R^2$  value of 0.421, suggesting that 42.1% of the variation in customer loyalty can be explained by customer satisfaction.

Customer satisfaction is identified as a multidimensional factor, with a  $\beta$  coefficient of 0.649 and a significance level of  $P < 0.01$ . This implies that a 100% increase in customer satisfaction could potentially lead to a 71.3% increase in customer loyalty at KBZSC securities. By improving the reliability of securities and enhancing the responsiveness of employee services, KBZSC securities has the opportunity to foster greater customer loyalty.

## **CHAPTER V**

### **CONCLUSION**

This chapter consists of three sections. To begin with, it provides an analysis and discussion of the survey data. Subsequently, it offers suggestions and recommendations based on the findings. Lastly, it emphasizes the importance of conducting additional research in the future.

#### **5.1 Findings and Discussions**

The study conducted investigates how service quality affects customer satisfaction and loyalty at KBZSC securities in Yangon. The results show that a significant portion of the participants are single females, mostly aged between 30 and 39. Additionally, most respondents have a bachelor's or master's degree, are employed, with a smaller percentage falling into other categories. In terms of income, the majority earn between KS 500,001 and KS 1,000,000 per month.

The data analysis reveals that the use of modern equipment impacts the reliability and responsiveness dimensions. Notably, reliability has a higher mean value, indicating the importance of keeping promises and commitments to customers. Similarly, responsiveness has a higher mean value overall. Participants generally agree that acting in good faith and prioritizing the customer's best interest are crucial factors influencing the responsiveness of service quality at KBZSC securities.

Service assurance at KBZSC is of utmost importance as it ensures that customers feel safe and secure while conducting their transactions. This is reflected in the significantly higher average value of service assurance, indicating that the company prioritizes investor satisfaction. Additionally, the reliability factor also holds a higher average value, indicating that customers agree that the company's focus on making them feel valued is the most effective variable in determining the quality of empathy service.

Furthermore, the effects of service responsiveness and assurance dimensions on customer satisfaction and loyalty are found to be the most significant among the five service quality dimensions. Investors perceive the handling and resolution of problems by securities staff, as well as their professionalism, as satisfactory. Statistical analysis further confirms that tangible, assurance, and empathy service dimensions play a

crucial role in enhancing customer satisfaction at KBZSC securities. It is important to note that an increase in customer satisfaction ultimately leads to higher customer loyalty towards the services provided by KBZSC securities.

The study suggests that reliability and responsiveness are the two key dimensions of service quality that greatly influence customer satisfaction and loyalty. It is evident from the research that KBZSC investors prioritize prompt and adequate service in relation to securities. Statistical analysis demonstrates a substantial potential for improving customer satisfaction levels at KBZSC, consequently fostering stronger customer loyalty towards the company's offerings.

## **5.2 Suggestions and Recommendations**

KBZSC securities can enhance customer satisfaction by major improvements in reliability and responsiveness. However, it is advisable to allocate more attention to tangible, assurance, and empathy service qualities over responsiveness. These dimensions have higher coefficient values and are directly linked to the tangibility of securities services.

Based on the findings, KBZSC can use tangible aspects like stable and accessible trading platforms to improve customer satisfaction. Management should incorporate these findings into their ongoing efforts to improve and sustain services. The study shows that reliability and responsiveness strongly affect customer satisfaction, but tangible dimension receive lower ratings. This underscores the importance of KBZSC developing physical and digital services that customers can easily access and rely on to enhance overall satisfaction.

In Myanmar, a country still adapting to technology, KBZSC should emphasize user-friendly systems and ensure stable network connections for seamless trading experiences. Moreover, the study emphasizes the interconnectedness of service quality, customer satisfaction, and loyalty within Myanmar's securities industry. All aspects of service quality show high dimensions with customer satisfaction and loyalty.

Reliability demonstrates the highest dimension, followed by responsiveness. Departments must prioritize employee reliability, timeliness, willingness, and readiness to handle all matters without inconvenience. Assurance emerges as the third most influential factor affecting customer satisfaction, necessitating robust employee training programs to instill knowledge, professionalism, and confidence in serving

customers. Empathy also strongly influences customer satisfaction, highlighting the importance of customer-centric approaches where employees understand and address customer concerns effectively.

Although tangibility shows the least mean value, significant improvements in network connections, IT infrastructure, and advanced trading systems are necessary to convert satisfied customers into loyal ones. KBZSC should prioritize these areas to strengthen customer relationships and maintain a competitiveness in Myanmar's dynamic securities market.

In summary, KBZSC securities is well-positioned to stabilize its market standing by continually improving service quality dimensions that have the greatest effects on customer satisfaction and loyalty. Focusing on reliability, responsiveness, tangible aspects of service quality, assurance, and empathy to enables KBZSC exceed customer expectations. This approach not only fosters customer loyalty but also enhances the organization's reputation as a premier provider of securities services in Myanmar.

### **5.3 Needs for Further study**

There are several limitations associated with conducting this study. Firstly, the sample size is relatively small, which raises concerns about its ability to accurately represent the entire population. Additionally, the use of a random sampling method to collect data from a limited number of investors makes it challenging to generalize the findings. To enhance the validity and generalizability of future studies, researchers should consider including a larger sample size and employing alternative data collection methods. By doing so, the findings can be more reliably applied to a broader population. Furthermore, it is important to note that this study solely focused on data collected from Yangon.. Therefore, future research should aim to gather data from a more diverse range of locations to obtain a comprehensive understanding of customer preferences.

Moreover, there are additional dimensions that can influence customer preference, such as convenience and charges. However, this study only examined the preferences of individual investors, excluding corporate investors and foreign account holders. To gain a more comprehensive understanding of customer preferences, future studies should consider including these customer segments in their sample.

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**APPENDIX-I**  
**Survey Questionnaire**  
**Service Quality, Customer Satisfaction and Customer Loyalty towards**  
**KBZ Stirling Coleman Securities Company**

Dear Sir/ Madam,

The objective of the study is to identify and analyze the impact of “Service Quality on Customer Satisfaction and Customer Loyalty of KBZ Stirling Coleman Securities Company”. It would be kind of you if you could please involve in the survey by answering the questions. Thank for your sharing valuable time to filling out this questionnaire.

**Section A: Demographic Profile of Respondents**

**1. Gender**

- Male  Female

**2. Marital Status**

- Single  Married

**3. Age (Years)**

- Below 20  21-29 years  
 30-39 years  40-49 years  
 50 years & above 50

**4. Education**

- Middle School  High School or Equivalent  
 Bachelor Degree  Master Degree  
 Doctoral Degree

**5. Occupation**

- Student  Employed (Full time/ Part time)  
 Self-employed  Retired  
 Other

**6. Monthly Income (MMK)**

- Below 500,000  500,001 to 1,000,000  
 1,000,001 to 1,500,000  1,500,001 to 2,000,000  
 Above 2,000,001

**Section B:**

Please state level of your agreement on each statement by providing the most related number.

1= Strongly Disagree   2= Disagree   3= Neutral   4= Agree   5= Strongly Agree

**Service Quality**

No.	Survey Questions	1	2	3	4	5
<b>Tangibles</b>						
1	Facilitating KBZSC office is good					
2	KBZSC provided by the materials (pamphlets, reports, brochures, website information) are visually appealing and easy to understand					
3	KBZSC provided physical and digital services are easily accessible and convenient					
4	KBZSC using technology trading platform and other services are up-to-date					
5	KBZSC office location is well located					
<b>Reliability</b>						
1	KBZSC does reliable execute the trades accurately and on time					
2	KBZSC usually happening wrong account statements or error transactions					
3	KBZSC trading platform consistently have high uptime and availability					
4	KBZSC fulfill its promises and commitments to customers					
5	KBZSC provide accurate and timely market information					
6	KBZSC provided financial and analysis reports are accurate					
<b>Responsiveness</b>						
1	KBZSC employees assure that services will be delivered to the customer on time					

2	KBZSC customer support can get easily during the trading hours					
3	KBZSC staff are never too busy and quick respond to any complaints the customers					
4	KBZSC customer support communication channels (phone, email, chat, Viber) are responsive					
5	KBZSC handle and resolve problems or complaints effectively					
6	KBZSC operates in good faith and without regard to the customer best interests					
<b>Assurance</b>						
1	KBZSC staff are knowledgeable enough to answer customer queries					
2	KBZSC representatives keep the customer information and details confidential					
3	KBZSC comply well with regulatory and compliance standards					
4	KBZSC staff are being professionalism					
5	KBZSC communicate effectively changes of policies or procedures that affect accounts or trading activities					
6	Customer feel safe and secure while doing their transactions with KBZSC					
<b>Empathy</b>						
1	KBZSC staff show individualized and personalized special attention to customer					
2	KBZSC provided services and recommendations are personalized useful					
3	KBZSC staff are well explained to the customer as a kindly					
4	KBZSC make customers feel care and respect					
5	KBZSC customer service address concerns and					

	issues with compassion					
6	A Securities opens at convenient operating hour for their customers					

### **Customer Satisfaction**

No.	Survey Questions	1	2	3	4	5
1	Customers are satisfied with the experience of KBZSC services					
2	Customers are satisfied with mobile app user-friendliness of KBZSC					
3	Customers are satisfied problem-solving process of KBZSC					
4	Customers are satisfied on response and prompt services					
5	KBZSC provide minimum waiting time for its customers					
6	KBZSC provide financial services and products for making investment decisions					

### **Customer Loyalty**

No.	Survey Questions	1	2	3	4	5
1	Customers are highly likely to recommend KBZSC services to others seeking reliable investment solutions					
2	Customers are likely to stay with KBZSC even if other securities companies offer lower fees					
3	Customers are willing to pay competitive rates for the high-quality service provided by KBZSC					
4	Customers frequently return to KBZSC for their investment needs					
5	Customers actively promote KBZSC's services to					

	friends and colleagues seeking investment guidance					
6	Customers choose KBZSC over other securities companies, even if similar services are available elsewhere					
7	Customers consider KBZSC a leader in service quality compared to other securities companies					

Please describe the other experiences and suggestions to improve the service quality of KBZSC.....  
.....  
.....  
.....



## APPENDIX II

### SPSS OUTPUT

#### Descriptive Statistics

	N	Mean	Std. Deviation
REL1	189	3.5476	.85388
REL2	189	3.5344	.93691
REL3	189	3.5026	.92036
REL4	189	3.6349	.89267
REL5	189	3.3122	.97463
REL6	189	3.3492	.96794
RELM	189	3.4769	.68012
CSM1	189	3.5661	.81353
CSM2	189	3.3757	.88224
CSM3	189	3.4709	.94837
CSM4	189	3.5873	.91037
CSM5	189	3.6402	.94962
CSM6	189	3.4021	.86737
CSMM	189	3.5126	.61892
AS1	189	3.6825	.95358
AS2	189	3.5503	.85294
AS3	189	3.6720	.86190
AS4	189	3.5767	.87561
AS5	189	3.5397	.93670
AS6	189	3.7937	.87200
ASM	189	3.6373	.57565
EM1	189	3.6296	.91696
EM2	189	3.6772	.85462
EM3	189	3.6561	.80769

### Descriptive Statistics

	N	Mean	Std. Deviation
EM4	188	3.8138	.85432
EM5	189	3.5185	.82895
EM6	189	3.8836	.83615
EMM	189	3.6960	.66201
TA1	189	3.6349	.91037
TA2	189	3.6455	.91456
TA3	189	3.4074	.97203
TA4	189	3.4921	.98567
TA5	189	4.0042	.07426
TAM	189	3.8132	.45951
RES1	189	3.6984	.96704
RES2	189	3.6243	.91770
RES3	189	3.6402	.91540
RES4	189	3.4021	.97151
RES5	189	3.4868	.98257
RES6	189	4.0000	.10314
RESM	189	3.6418	.57926
CL1	189	3.6931	.96811
CL2	189	3.6296	.92274
CL3	189	3.6455	.92036
CL4	189	3.3862	.98608
CL5	189	3.4762	.97245
CL6	189	4.0106	.10259
CLM	189	3.6398	.57828
Valid N (listwise)	188		

## Regression

### Descriptive Statistics

	Mean	Std. Deviation	N
CSMM	3.5126	.61892	189
TAM	3.8132	.45951	189
RELM	3.4769	.68012	189
RESM	3.6418	.57926	189
ASM	3.6373	.57565	189
EMM	3.6960	.66201	189

### Correlations

	CSMM	TAM	RELM	RESM	ASM	EMM
Pearson Correlation	1.000	.474	.649	.548	.379	.410
CSMM						
TAM	.474	1.000	.433	.771	.177	.405
RELM	.649	.433	1.000	.422	.333	.237
RESM	.548	.771	.422	1.000	.278	.533
ASM	.379	.177	.333	.278	1.000	.204
EMM	.410	.405	.237	.533	.204	1.000
Sig. (1-tailed)	.000	.000	.000	.000	.000	.000
CSMM						
TAM	.000	.000	.000	.000	.007	.000
RELM	.000	.000	.000	.000	.000	.001
RESM	.000	.000	.000	.000	.000	.000
ASM	.000	.007	.000	.000	.000	.002
EMM	.000	.000	.001	.000	.002	.000
N	189	189	189	189	189	189
CSMM						
TAM	189	189	189	189	189	189
RELM	189	189	189	189	189	189
RESM	189	189	189	189	189	189
ASM	189	189	189	189	189	189
EMM	189	189	189	189	189	189

### Variables Entered/Removed<sup>a</sup>

Model	Variables Entered	Variables Removed	Method
1	EMM, ASM, RELM, TAM, RESM <sup>b</sup>	.	Enter

a. Dependent Variable: CSMM

b. All requested variables entered.

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.737a	.544	.531	.42379	.544	43.597	5	183	.000	1.625

a. Predictors: (Constant), EMM, ASM, RELM, TAM, RESM

b. Dependent Variable: CSMM

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	39.150	5	7.830	43.597	.000 <sup>b</sup>
	Residual	32.867	183	.180		
	Total	72.017	188			

a. Dependent Variable: CSMM

b. Predictors: (Constant), EMM, ASM, RELM, TAM, RESM

### Coefficientsa

Model	Unstandardized Coefficients		Sd. Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1(Constant)	.062	.312		.198	.843	-.553	.676					
TAM	.024	.108	.018	.226	.821	-.189	.238	.474	.017	.011	.387	2.583
RELM	.427	.053	.469	8.076	.000	.323	.532	.649	.513	.403	.738	1.355
RESM	.237	.092	.222	2.564	.011	.055	.420	.548	.186	.128	.333	3.005
ASM	.138	.058	.128	2.367	.019	.023	.253	.379	.172	.118	.852	1.174
EMM	.137	.055	.147	2.483	.014	.028	.247	.410	.181	.124	.712	1.404

a. Dependent Variable: CSMM

### Coefficient Correlationsa

Model			EMM	ASM	RELM	TAM	RESM
1	Correlations	EMM	1.000	-.066	.000	.007	-.358
		ASM	-.066	1.000	-.263	.111	-.154
		RELM	.000	-.263	1.000	-.207	-.090
		TAM	.007	.111	-.207	1.000	-.678
		RESM	-.358	-.154	-.090	-.678	1.000
	Covariances	EMM	.003	.000	1.113E-6	4.349E-5	-.002
		ASM	.000	.003	-.001	.001	-.001
		RELM	1.113E-6	-.001	.003	-.001	.000
		TAM	4.349E-5	.001	-.001	.012	-.007
		RESM	-.002	-.001	.000	-.007	.009

a. Dependent Variable: CSMM

### Collinearity Diagnostics

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions					
				(Constant)	TAM	RELM	RESM	ASM	EMM
1	1	5.922	1.000	.00	.00	.00	.00	.00	.00
2		.027	14.764	.00	.00	.46	.02	.07	.31
3		.022	16.546	.03	.01	.33	.02	.53	.01
4		.015	19.795	.05	.08	.17	.07	.05	.61
5		.010	23.762	.49	.00	.02	.25	.28	.02
6		.003	41.575	.42	.91	.01	.64	.07	.04

a. Dependent Variable: CSMM

### Residuals Statistics<sup>a</sup>

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.321	4.609	3.513	.456	189
Residual	-.975	1.439	.000	.418	189
Std. Predicted Value	-2.610	2.403	.000	1.000	189
Std. Residual	-2.300	3.395	.000	.987	189

a. Dependent Variable: CSMM

### Regression

#### Descriptive Statistics

	Mean	Std. Deviation	N
RELM	3.4769	.68012	189
CSMM	3.5126	.61892	189

### Correlations

		RELM	CSMM
Pearson Correlation	RELM	1.000	.649
	CSMM	.649	1.000
Sig. (1-tailed)	RELM	.000	.000
	CSMM	.000	.000
N	RELM	189	189
	CSMM	189	189

### Variables Entered/Removed<sup>a</sup>

Model	Variables Entered	Variables Removed	Method
1	CSMM <sup>b</sup>	.	Enter

- a. Dependent Variable: RELM  
 b. All requested variables entered.

### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.649a	.421	.418	.51905	.421	135.777	1	187	.000	1.740

- a. Predictors: (Constant), CSMM  
 b. Dependent Variable: RELM

### ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	36.580	1	36.580	135.777	.000 <sup>b</sup>
	Residual	50.381	187	.269		
	Total	86.961	188			

- a. Dependent Variable: RELM  
 b. Predictors: (Constant), CSMM

### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Lower Bound	Upper Bound	Zero-order	Partial	Part	Tolerance	VIF
1 (Constant)	.973	.218		4.462	.000	.543	1.404					
CSMM	.713	.061	.649	11.652	.000	.592	.833	.649	.649	.649	1.000	1.000

a. Dependent Variable: RELM

### Coefficient Correlations<sup>a</sup>

Model		CSMM
1	Correlations	CSMM
	Covariances	CSMM

a. Dependent Variable: RELM

### Collinearity Diagnostics<sup>a</sup>

Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	CSMM
1	1	1.985	1.000	.01	.01
	2	.015	11.468	.99	.99

a. Dependent Variable: RELM

### Residuals Statistics<sup>a</sup>

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.164	4.537	3.477	.441	189
Residual	-1.824	1.888	.000	.517	189
Std. Predicted Value	-2.977	2.403	.000	1.000	189
Std. Residual	-3.515	3.638	.000	.997	189

a. Dependent Variable: RELM